

Natchitoches City Council will have a pre-council meeting beginning at 5:00 p.m. and ending at 5:30 p.m. to discuss non-agenda items. The City Council meeting will begin promptly at 5:30 p.m. on the second and fourth Monday of each month and will be reserved to only items on the Agenda. The public is invited to both the pre-council meetings and council meetings with the understanding that items not on the agenda will not be discussed at the scheduled council meetings, but the public is welcome to discuss any topic at the pre-council meetings. The City Council Meetings are held at the Natchitoches Arts Center located at 716 Second Street, Natchitoches, Louisiana.

NATCHITOCHES CITY COUNCIL MEETING
JANUARY 12, 2015
5:30 P.M.
A G E N D A

1. **CALL TO ORDER**
2. **INVOCATION**
3. **PLEDGE OF ALLEGIANCE**
4. **READING AND APPROVAL OF THE MINUTES OF DECEMBER 8, 2014**
5. **PRESENTATION OF 2014 ROYAL PRINCESSES AND MAIDENS**
Royal Princesses - Autumn Anthony, Megan Sarpy, Bethany Milner,
Ladasha Bradley, Jalaysha Barnes
Royal Maidens - Tai Allen, Laurie Collins, Kennkashennia Latique,
Kourtney Robinson, Tyleecia Jackson
6. **PROCLAMATIONS:**
#001 Payne Proclamation Declaring Martin Luther King, Jr., Day
#002 Stamey Proclamation Declaring the Month of January, 2015 as Arbor Day
7. **ORDINANCES – FINAL:**
#051 Morrow Ordinance Approving A Lease Between The City Of Natchitoches
And Foshee Dusting Co., Inc., Of A Lot In The Natchitoches
Regional Airport And Authorizing The Mayor Of The City Of
Natchitoches, Lee Posey, To Execute A Lease In Favor Of Foshee
Dusting Co., Inc., And Further Providing For Advertising Of The
Lease And An Effective Date

#052 Stamey Ordinance Authorizing The Mayor Or His Designee To Advertise
An Airport Hanger Lease For Maintenance Shop, Establishing The
Terms And Conditions For Said Lease Which Will Include
Obligation Of Lessee To Provide An Experienced Aircraft
Mechanic And Aircraft Mechanics Shop For Fixed Wing And
Rotor Wing Aircraft, Authorizing Mayor To Execute Lease After
Due Advertisements And Compliance With Law In Accordance
Louisiana Revised Statutes 2:135.1
8. **ORDINANCES – INTRODUCTION:**
#001 Nielsen A General Bond Ordinance Authorizing The Issuance From Time
To Time Of Utilities Revenue Bonds Of City Of Natchitoches,
State Of Louisiana; Prescribing The Form, And Certain Terms And
Conditions Of Said Bonds; Establishing Funds And Accounts
Relating To Said Bonds; Providing For The Payment Thereof In
Principal And Interest Including A Rate Covenant Relating
Thereto; And Providing For Other Matters In Connection
Therewith

#002 Mims A Supplemental Bond Ordinance Authorizing The Issuance In One Or More Series Of Not Exceeding \$2,000,000 Of Taxable Utilities Revenue Bonds, Series 2015, Of The City Of Natchitoches, State Of Louisiana, In Accordance With The Terms Of A General Bond Ordinance; Prescribing The Form, And Certain Terms And Conditions Of Said Bonds; And Providing For Other Matters In Connection Therewith.

#003 Payne Ordinance To Amend Chapter 26 Of The Code Of Ordinances, Entitled Police, In Order To Adopt Article I Which Will Provide For The Implementation Of A Program To Allow A Police Officer To Acquire His Service Firearm Upon Retirement, Specifically Adopting Sections 26-1 Through 26-3, Providing For Advertising, Further Providing For Severability, And Further Providing For A Repealer And Effective Date Of Ordinance

- **OPEN PUBLIC HEARING – ISSUANCE OF NOT TO EXCEED \$2,000,000 OF REVENUE BONDS TO FINANCE IMPROVEMENTS TO THE DRINKING WATER SYSTEM - RESOLUTION NO. 003 OF 2015**
- **REQUEST FOR PUBLIC COMMENTS**

9. **RESOLUTIONS:**

#003 Mims Resolution Finding And Determining That A Public Hearing Has Been Held And That No Petition Has Been Filed Objecting To The Proposed Issuance By The City Of Natchitoches, State Of Louisiana Of Its Taxable Utilities Revenue Bonds In An Amount Not To Exceed Two Million Dollars (\$2,000,000); Authorizing The Officials Of Said City To Proceed With The Preparation Of The Documents Required For The Issuance Of Such Bonds; And Providing For Other Matters In Connection Therewith

#004 Nielsen Resolution Approving An Easement And Servitude For Placement Of Roadway And Placement Of Utilities Along Western Side Of Property Owned By The Rivers Rhodes Family Partnership, LLP, ET AL, Located On The Northern Right Of Way Of Louisiana Highway 478, Also Known As Waterwell Road, And Authorizing The Mayor To Execute The Easement And Servitude For Placement Of Roadway And Placement Of Utilities On Behalf Of The City Of Natchitoches, Louisiana

#005 Morrow Resolution Authorizing The Mayor To Execute Change Order No. 1 To The Agreement Between The City Of Natchitoches And Regional Construction, Llc., For The Airport Apron Project – Alternate III (Asphalt & Concrete Overlay), At The Natchitoches Regional Airport LA DOTD Project No. H.010807

#006 Stamey Resolution Approving Work Order Addendum No. Two (Amendment One 1/15) To Open General Services Agreement No. Two, Between Airport Development Group, Inc. And The City Of Natchitoches For Construction Engineering Services For Rehabilitation Of The Terminal Apron At The Natchitoches Regional Airport And Authorizing The Mayor Of The City Of Natchitoches, Lee Posey, To Execute Said Work Order Addendum No. Two. (State Project H.010807) (FAA/A.I.P. 3-22-0034-18-2013)

10.

ANNOUNCEMENTS:

- The City of Natchitoches offices will be closed **Monday, January 19, 2015** in honor of Martin Luther King, Jr.
- The next scheduled City Council meeting will be **January 26, 2015.**

NOTICE TO THE PUBLIC

In accordance with the Americans with Disabilities Act, if you need special assistance, please contact the City Clerk's Office at (318) 352-2772 describing the assistance that is necessary.
If you wish to address the Council, please complete the "Request to Address City Council" form located on the entrance table.

**PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF NATCHITOCHES, STATE OF LOUISIANA,
REGULAR MEETING HELD ON
MONDAY, JANUARY 12, 2015 AT 5:30 P.M.**

The City Council of the City of Natchitoches met in legal and regular session at the Natchitoches Arts Center, 716 Second Street, Natchitoches, Louisiana on Monday, January 12, 2015 at 5:30 p.m.

There were present:

Mayor Lee Posey
Councilman At Large Don Mims, Jr.
Councilman Dale Nielsen
Councilman Larry Payne
Councilman David Stamey
Councilwoman Sylvia Morrow

Guests: 2014 Royal Princesses and Maidens

Absent: None

Mayor Lee Posey called the meeting to order and welcomed everyone for coming. Michael Braxton was asked to lead the invocation and Councilman Stamey was asked to lead the pledge of allegiance.

Mayor Posey then called for the reading and approval of the minutes for the December 8, 2014 meeting. Mr. Mims moved that we dispense with the reading of the minutes and approval of same. Seconded by Ms. Morrow. The roll call vote was as follows:

| | |
|-----------------|---|
| Ayes: | Payne, Nielsen, Mims, Stamey, Morrow |
| Nays: | None |
| Absent: | None |
| Abstain: | None |

Mayor Posey then recognized the 2014 Royal Princesses and Maidens. The 2014 Royal Princesses were: Autumn Anthony, Megan Sarpy, Bethany Milner, Ladasha Bradley, and Jalaysha Barnes. The 2014 Royal Maidens were: Tai Allen, Laurie Collins, Kennkashennia Latique, Kourtney Robinson, Tyleecia Jackson, and Ka'Liah Sibley. Each received a plaque from the Mayor and introduced themselves.

The following Resolution was introduced by Mr. Payne and Seconded by Mr. Nielsen as follows, to -wit:

RESOLUTION NO. 001 OF 2015

**PROCLAMATION DECLARING JANUARY 19, 2015 AS MARTIN LUTHER KING, JR.
DAY IN THE CITY OF NATCHITOCHES**

WHEREAS, each year on the third Monday of January, schools, federal offices, post offices and banks across American close as we observe and honor Dr. Martin Luther King's Birthday; and

WHEREAS, the first national celebration of the Dr. Martin Luther King, Jr., Holiday took place January 20, 1986, and this year the celebration will be on January 19, 2015.

WHEREAS, America was moved by a young preacher who called a generation to action and forever changed the course of history. The Reverend Dr. Martin Luther King, Jr. devoted his life to the struggle for justice and equality, sowing seeds of hope for a day when all people might claim "the riches of freedom and the security of justice." On Martin Luther King, Jr., Federal Holiday, we celebrate the life and legacy of Dr. King; and

WHEREAS, Dr. King advocated non-violent action as a means to overcome the evil of racism in America, and he led the effort that resulted in the Civil Rights Act of 1964; and

WHEREAS, Dr. King guided us toward a mountaintop on which all Americans – regardless of skin color – could live together in mutual respect and brotherhood. Dr. King recognized the power of service to strengthen communities and achieve common goals; and

WHEREAS, Dr. King dedicated his life to empowering people, and challenged them to lift up their neighbors and communities. He broke down barriers within our society by encouraging Americans to look past their differences and refused to rest until our Nation fulfilled its pledge of liberty and justice for all; and

NOW, THEREFORE, I, LEE POSEY, Mayor of the City of Natchitoches hereby proclaim, Monday, January 19, 2015 as

MARTIN LUTHER KING, JR. DAY

in the City of Natchitoches in honor of the memory and legacy of Dr. King.

This Resolution was then presented for a vote, and the vote was recorded as follows:

| | |
|-----------------|---|
| AYES: | Payne, Nielsen, Mims, Stamey, Morrow |
| NAYS: | None |
| ABSENT: | None |
| ABSTAIN: | None |

THEREUPON, Mayor Lee Posey declared the Resolution passed by a vote of 5 Ayes to 0 Nays on this 12th day of January, 2015.



LEE POSEY, MAYOR

The Mayor stated on January 19th there will be several activities going on throughout the day at the Martin Luther King Center and the Martin Luther King triangle. Please check out event times in the local newspaper. Ms. Morrow stated the several representatives throughout the state of Louisiana and Mississippi will be guest speakers at many of the events and look forward to everyone coming out.

The following Resolution was introduced by Mr. Stamey and Seconded by Mr. Nielsen as follows, to -wit:

RESOLUTION NO. 002 OF 2015

PROCLAMATION DECLARING THE MONTH OF JANUARY, 2015 AS ARBOR MONTH IN THE CITY OF NATCHITOCHES

WHEREAS, Arbor Day, was first observed in 1872 when J. Sterling Morton proposed a tree-planting day to the Nebraska Board of Agriculture and on April 10 of that year sponsors estimated that more than a million trees were planted on the first **Arbor Day**; and

WHEREAS, Arbor Day has since become an annual observance throughout the nation and the world celebrating the role of trees in our lives and promoting tree planting, care and conservation; and

WHEREAS, trees can lower our heating and cooling costs, clean the air and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and

WHEREAS, trees in our City increase property values, enhance the economic vitality of business areas and beautify our community; and

WHEREAS, the City of Natchitoches understands more than ever the importance of trees to our City and is committed to an effective ongoing program that provides direction, technical assistance, public attention and recognition for ongoing efforts to the value of trees in our community.

NOW, THEREFORE, I, Lee Posey, Mayor of the City of Natchitoches do hereby proclaim the month of January, 2015 as

ARBOR MONTH

in the City of Natchitoches, Louisiana and urge all citizens to observe this day.

This Resolution was then presented for a vote, and the vote was recorded as follows:

| | |
|-----------------|---|
| AYES: | Payne, Nielsen, Mims, Stamey, Morrow |
| NAYS: | None |
| ABSENT: | None |
| ABSTAIN: | None |

THEREUPON, Mayor Lee Posey declared the Resolution passed by a vote of 5 Ayes to 0 Nays on this 12th day of January, 2015.



LEE POSEY, MAYOR

CERTIFICATION ON BACK

The following Ordinance was Introduced by Ms. Morrow and Seconded by Mr. Stamey as follows, to-wit:

ORDINANCE NO. 051 OF 2014

AN ORDINANCE APPROVING A LEASE BETWEEN THE CITY OF NATCHITOCHES AND FOSHEE DUSTING CO., INC., OF A LOT IN THE NATCHITOCHES REGIONAL AIRPORT AND AUTHORIZING THE MAYOR OF THE CITY OF NATCHITOCHES, LEE POSEY, TO EXECUTE A LEASE IN FAVOR OF FOSHEE DUSTING CO., INC., AND FURTHER PROVIDING FOR ADVERTISING OF THE LEASE AND AN EFFECTIVE DATE.

WHEREAS, the City of Natchitoches is the owner of the following described property, which is located in the Natchitoches Regional Airport, to-wit:

A certain parcel of land located at the Natchitoches Regional Airport, containing 0.44 acre, and being more particularly described and shown on a certificate of survey dated March 21, 1994 prepared by Jack E. Farmer, PLS, which description is incorporated herein by reference. (Sometimes hereinafter referred to as "Leased Premises").

(It is understood that this lease shall be limited to the 0.44 acre described within the black line on the survey by Farmer, and any other portions, previously leased by the LESSEE, are hereby released.)

; and

WHEREAS, the Airport Manager, Larry Cooper, has negotiated the terms of a lease with Foshee Dusting Co., Inc., of the Leased Premises, and the terms of the proposed lease have been approved by the Natchitoches Airport Commission; and

WHEREAS FURTHER, the terms of the lease are for a ten (10) year period, with consideration of One Thousand Nine Hundred Sixteen and 64/100 (\$1,916.64) Dollars per year, all as set forth in the attached Lease Agreement by and between the City of Natchitoches, and Foshee Dusting Co., Inc.; and

WHEREAS FURTHER, the City desires to lease the Leased Premises, under the terms set forth above and more particularly set forth in the lease attached hereto.

NOW THEREFORE, BE IT ORDAINED by the City Council in legal session convened as follows:

(1) That after due proceedings and advertisement, the said City does lease that property described as a 0.44 acre, and being more particularly described and shown on a certificate of survey dated March 21, 1994 prepared by Jack E. Farmer, PLS, to Foshee Dusting Co., Inc., for the term of ten (10) years, with the annual consideration of One Thousand Nine Hundred Sixteen and 64/100 (\$1,916.64) Dollars.

(2) That notice of this proposed ordinance be published three (3) times in fifteen (15) days, one (1) week apart, in the Natchitoches Times, the legal journal for the City, and that ordinance be posted in the City Hall.

(3) That any opposition to this ordinance shall be made in writing, filed with the Clerk for the City of Natchitoches within thirty (30) days after the first publication of this ordinance, and that a public hearing be held after the advertisements have been completed.

(4) That the Mayor, Lee Posey, be and he is hereby authorized, after due proceedings had, and after the legal delays have run, to execute a lease in favor of Foshee Dusting Co., Inc., leasing that property more fully described as a 0.44 acre, and being more particularly described and shown on a certificate of survey dated March 21, 1994 prepared by Jack E. Farmer, PLS, for the term of ten (10) years, with the annual consideration of One Thousand Nine Hundred Sixteen and 64/100 (\$1,916.64) Dollars.

(5) That the City Clerk be authorized to advertise this proposed lease in accordance with law, i.e., three times in fifteen days, one week apart and to report to the City Council if any opposition is made in writing prior to the time of final adoption.


(6) That the City takes cognizance of the fact that the property described above is not needed for public purposes by the City.

THIS ORDINANCE was introduced on December 8, 2014 and published in the *Natchitoches Times* on December 13, December 20 and December 27, 2014.

The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

| | |
|-----------------|---|
| AYES: | Payne, Nielsen, Mims, Stamey, Morrow |
| NAYS: | None |
| ABSENT: | None |
| ABSTAIN: | None |

THEREUPON, Mayor Lee Posey declared the Ordinance passed by a vote of 5 Ayes to 0 Nays this 12th day of January, 2015.


LEE POSEY, MAYOR


DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 13th day of January, 2015 at 10:00 A.M.

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

LEASE AGREEMENT

BE IT KNOWN that this agreement is made and entered into on this the 16 day of JANUARY, 2015, before the undersigned Notaries Public and subscribing witnesses, by and between:

THE CITY OF NATCHITOCHES, LOUISIANA, a Municipal Corporation, with mailing address of P. O. Box 37, Natchitoches, Louisiana, 71458-0037, represented herein by Lee Posey, Mayor, pursuant to an Ordinance No. 051, of 2014 adopted by the City Council of the City of Natchitoches on the 12th day of January, 2015, the City of Natchitoches hereinafter referred to as the "**LESSOR**",

AND

FOSHEE DUSTING CO., INC., a Louisiana corporation domiciled in Natchitoches Parish, Louisiana, and represented herein by Paul Foshee, Jr., President, duly authorized to act herein, hereinafter referred to as the "**LESSEE**"

who declared as follows, to-wit:

1.

That for and in consideration of the rents, covenants, and agreements herein set out, to be faithfully paid, kept and performed by the Lessee, Lessor hereby leases and lets to said lessee the following plot of ground, to-wit:

A certain parcel of land located at the Natchitoches Regional Airport, containing 0.44 acre, and being more particularly described and shown on a certificate of survey dated march 21, 1994 prepared by Jack E. Farmer, PLS, which description is incorporated herein by reference.

(It is understood that this lease shall be limited to the 0.44 acre described within the black line on the survey by Farmer, and any other portions, previously lease by the LESSEE, are hereby released.)

2.

In consideration for the use of said Tract and the privileges incidental thereto, Lessee agrees to pay Lessor the sum of One Thousand Nine Hundred Sixteen and 64/100 (\$1,916.64) Dollars, per year, payable in advance each year with the first payment being paid herewith, receipt of which is acknowledged. Successive annual rental payments shall be due on the anniversary

date of this lease each year throughout the term of this lease. This amount is calculated on the basis of Ten Cents (\$0.10) per square foot for the area described above, which said Tract has a total of 19,166.4 square feet.

After five years, January of 2020, the rental under this lease shall be adjusted to reflect the changes in the purchasing power of the dollar, whether upward or downward, as follows:

The base for the purpose of rental adjustment shall be the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor for the 1st of January 2015. The difference between the Index figure for January 1, 2015, and the figure published for that January immediately preceding any renewal term hereunder shall be determined and computed as a percentage of change. This percentage of the base rent shall be added to the annual base rent, or subtracted from it if the change be downward, and the sum shall constitute the annual rent for the renewal term.

If any change is made by the United States Government in the formulation or method under which the Consumer Price Index is computed, then the parties agree that an appropriate adjustment in computing the rent for any renewal term shall be made by the parties, and if they are unable to agree on such adjustment, then said adjustment shall be submitted to arbitration under the rules of the American Arbitration Association.

All payments are to be made to the order of the City of Natchitoches, at the City Hall.

3.

The term of this lease shall be for a ten year period, from January 1, 2015, through December 31, 2019.

4.

Lessee may not assign the lease, or sub-let the lease, or transfer same in any manner, without the prior consent of the City Council, with the advice and consent of the Natchitoches Regional Airport Advisory Commission.

5.

It is understood and agreed that the leased premises are a part of the Natchitoches Regional Airport and nothing herein shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 (A) of the Civil Aeronautics Act of 1958. It is understood

and agreed that Lessee shall have the privilege of use of runways, taxi strips and parking space without additional charges.

The Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions that would limit the usefulness of the Airport or constitute a hazard to aircraft.

6.

The premises shall be used by Lessee only for the purpose of aeronautics, storage, rental, maintenance and servicing of aircraft and equipment owned by Lessee, Sub-Lessees or their respective subsidiary and affiliated companies and for no other purpose.

7.

LESSEE shall have the privileges to continue to maintain, keep and repair the hangar and other appurtenances, previously erected on the premises by LESSEE, for its private use. It is understood that the LESSEE shall abide by the Sanitary Code of the City of Natchitoches, and any other codes proscribed by the City. LESSEE shall have the right and privilege of installing electricity, water, gas and telephone at its cost. It is expressly agreed between the parties that any building or other structure erected by the LESSEE shall remain the property of the LESSEE at the expiration of this lease, or extension thereof, provided however, that the LESSOR shall have the right and option to purchase such buildings from LESSEE at a sum to be determined by three appraisers, one to be selected by LESSOR and one by LESSEE, and one selected by the appraisers. If the City does not exercise its right and option, to purchase the property after written notification of its intention not to purchase to the LESSEE, the LESSEE has the right to remove the building within sixty (60) days, in default of which all buildings and improvements of every kind left on the land shall become exclusive property of the City. LESSEE shall have the right to sub-lease, including buildings which it erects at its own expense, provided that the sub-lease shall take such premises subject to the terms and conditions of this lease, and provided the City approves the sub-lease in writing.

The Lessee will carry fire, windstorm and tornado insurance on any buildings erected on the leased premises, and the Lessor shall have no responsibility for any buildings or improvements

erected on the premises during the term of this lease.

8.

Lessee shall pay all costs of electric current, water and all fuel used at and upon the said above described premises.

9.

The Lessee shall not store or sell gasoline or aviation fuel on the leased premises; however, Lessee may store aviation fuel on the premises for use in aircraft owned or operated by the Lessee. The Lessee shall pay a ten cent per gallon flow fee for any fuel that is purchased from a source other than the Natchitoches Regional Airport, or the designated airport operator.

10.

As a part of the consideration for this lease, Lessee covenants and agrees to maintain all buildings located thereon in a good and safe condition and as neat and clean as practicable, and no noxious activities shall be conducted on the premises.

Lessor, its agents and assigns, shall have the right to enter the leased premises at any reasonable time throughout the term of this lease for any reasonable purpose, including inspection of the general condition and state of repair of the leased premises.

11.

Lessee agrees to observe and obey during the term of this lease all laws, ordinances, rules and regulations promulgated and enforced by any proper authority having jurisdiction over the conduct and operation of the Airport and aircraft using it.

12.

This lease cannot be modified or changed except upon written agreement of the parties hereto.

13.

This lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport. This lease is further subject to the approval and

any requirements imposed by the FAA or any other governmental agency having jurisdiction over the Natchitoches Regional Airport, and shall be subordinate thereto.

14.

During the time of war or National emergency, the Lessor shall have the right to lease any part hereof to the United States Government for Military or Naval use, and if any such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.

15.

If Lessee shall violate any of the restrictions in this lease, or shall fail to keep any of its covenants or conditions for a period of thirty (30) days after written notices to cease such violations, Lessor may at once, if it so elects, terminate this lease and take possession of the premises. In the event of such termination, Lessee, at its option, may remove any buildings, tanks, pumps, or other structures or facilities (except paved area) within sixty (60) days after such termination.

16.

Lessee hereby covenants and agrees to have or obtain, and maintain in force, a policy or policies of insurance satisfactory to Lessor sufficient in form to protect Lessor and the public against damages and liability arising from the operations of lessee in an amount of \$500,000 for each person, and \$1,000,000 for each incident against bodily injury liability, and the sum of \$200,000 for each accident resulting in damage to property.

17.

In the event that Lessor, in the development of its regional airport, should require the leased premises for other purposes, Lessor shall have the right and obligation to provide other suitable premises for Lessee; provided, however, Lessor shall pay to Lessee all costs of removal to the new location or locations, either by constructing similar facilities at the new location or by paying the cost of moving and re-erecting the hangar, tanks, pumps and other facilities of Lessee, such costs to include the full replacement cost of those items which cannot be economically moved.

18.

Lessee, in exercising any of the rights or privileges herein granted to it, shall not, on the

grounds of race, color, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 21 of the Regulations of the Office of the Secretary of Transportation, a copy of which is on file in the Airport Manager's office. Lessor is hereby granted the right to take such action, anything to the contrary herein notwithstanding, as the United States may direct to enforce this non-discrimination covenant.

IN WITNESS WHEREOF, the City of Natchitoches, in the presence of the undersigned witnesses and Notary Public, executed this Lease on this 13 day of January 2015, at Natchitoches, Louisiana.

WITNESS

Stacy McQuary

CITY OF NATCHITOCHES,
LOUISIANA

By: Lee Posey

LEE POSEY, MAYOR

Hannah Weening

WITNESS

Edd R. Lee

NOTARY PUBLIC

Print Name: Edd R. Lee

Notary # 15749

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

IN WITNESS WHEREOF, Foshee Dusting Co., Inc., through its President, Paul Foshee, Jr., in the presence of the undersigned witnesses and Notary Public, executed this Lease on this 16th day of January, 2015, at Natchitoches, Louisiana.

WITNESS

Christopher A. Foster

FOSHEE DUSTING CO, INC.

BY: Paul Foshee, Jr.

PAUL FOSHEE, JR., PRESIDENT

Ly

WITNESS

Edd R. Lee

NOTARY PUBLIC

Print Name: Edd R. Lee

Notary # 15749

CERTIFICATION ON BACK

The following Ordinance was Introduced by Mr. Stamey and Seconded by Mr. Payne as follows, to-wit:

ORDINANCE NO. 052 OF 2014

AN ORDINANCE AUTHORIZING THE MAYOR OR HIS DESIGNEE TO ADVERTISE AN AIRPORT HANGER LEASE FOR MAINTENANCE SHOP, ESTABLISHING THE TERMS AND CONDITIONS FOR SAID LEASE WHICH WILL INCLUDE OBLIGATION OF LESSEE TO PROVIDE AN EXPERIENCED AIRCRAFT MECHANIC AND AIRCRAFT MECHANICS SHOP FOR FIXED WING AND ROTOR WING AIRCRAFT, AUTHORIZING MAYOR TO EXECUTE LEASE AFTER DUE ADVERTISEMENTS AND COMPLIANCE WITH LAW IN ACCORDANCE LOUISIANA REVISED STATUTES 2:135.1.

WHEREAS, the City of Natchitoches, Louisiana, desires to lease certain property at the Natchitoches Regional Airport which includes a hangar and all appurtenances pertaining thereto; and

WHEREAS FURTHER, the purpose of the lease is to retain a lessee who will operate a full-time mechanic shop for the maintenance and repair of fixed wing and rotor wing aircraft to be situated on the leased premises; and

WHEREAS FURTHER, the property to be leased is more particularly described as follows:

Lot 5 of Natchitoches Regional Airport as per the Airport Layout Plan, containing 0.92 acre, as is more fully shown on a Certificate of Survey by A. J. Brouillette, R. S., dated August 29, 1974, recorded in Conveyance Book 336, page 208, all of the Records of Natchitoches Parish, Louisiana, together with all improvements including the hangar and all appurtenances pertaining thereto, situated on said Lot 1.

WHEREAS FURTHER, the proposed lease is on file with the City Clerk and provides, among other things, for the following terms and conditions, to-wit:

The initial term of the lease will be for a period of not less than 5 years, with a monthly rental of not less than Two hundred twenty (\$220.00) dollars, with one (1) option for an additional five year period, with rental adjusted in accordance with an escalation clause;

Lessee will pay all utilities and will provide for all major maintenance and upkeep of the hangar and grounds adjacent to the hangar;

No gasoline sales to the public will be permitted on the premises by the lessee;

Lessee will provide for the operation of a full-time mechanic shop for the repair and maintenance of fixed wing and rotor wing aircraft; including the providing of at least one qualified mechanic;

Lessee must comply with all requirements of the Federal Aviation Administration and the Division of Aviation, Louisiana Department of Transportation and Development;

Lessee will comply with all standard requirements and obligations contained in customary City airport facility leases, and in particular with those terms and conditions contained in the sample lease on file with the City Clerk.

Lessee will provide for liability insurance in amount sufficient to the requirements of the City.

WHEREAS FURTHER, the presence of a certified aviation maintenance facility is very important to the continued success and development of the Natchitoches Regional Airport, and the proposed lease includes a condition that the lessee will provide a certified aviation maintenance facility during the term of the lease and any extension thereof; and

WHEREAS FURTHER, the proposed lease has been reviewed by the Natchitoches Airport Advisory Commission and approved by that body which recommends same to the City Council;

NOW THEREFORE, BE IT ORDAINED by the City Council that said sample lease (which is attached to this ordinance) be filed with the City Clerk, and that this Ordinance be published in the Natchitoches Times, once a week for three consecutive weeks.

BE IT FURTHER ORDAINED that after due proceedings and advertisement, the said City does lease that property described as:

Lot 5 of Natchitoches Regional Airport as per the Airport Layout Plan, containing 0.92 acre, as is more fully shown on a Certificate of Survey by A. J. Brouillette, R. S., dated August 29, 1974, recorded in Conveyance Book 336, page 208, all of the Records of Natchitoches Parish, Louisiana, together with all improvements including the hanger and all appurtenances pertaining thereto, situated on said Lot 1.

to Christopher Smith d/b/a AEROMECH, for the term of five (5) years, with an option for an additional five (5) years, with the initial annual consideration of \$220.00.

BE IT FURTHER ORDAINED that notice of this proposed ordinance be published three (3) times in fifteen (15) days, one (1) week apart, in the Natchitoches Times, the legal journal for the City, and that ordinance be posted in the City Hall.

BE IT FURTHER ORDAINED that any opposition to this ordinance shall be made in writing, filed with the Clerk for the City of Natchitoches within fifteen (15) days after the first publication of this ordinance, and that a public hearing be held after the advertisements have been completed.

BE IT FURTHER ORDAINED that the Mayor, Lee Posey, be and he is hereby authorized, after due proceedings had, and after the legal delays have run, to execute a lease in conformity with the terms set forth above.

BE IT FURTHER ORDAINED that the City Clerk be authorized to advertise this proposed lease in accordance with law, i.e., three times in fifteen days, one week apart and to report to the City Council if any opposition is made in writing prior to the time of final adoption.

BE IT FURTHER ORDAINED that the City takes cognizance of the fact that the property described above is not needed for public purposes by the City.

BE IT FURTHER ORDAINED by the City Council, in legal session convened, that the Mayor, Lee Posey, be authorized to incorporate in the said lease such terms and conditions as he deems appropriate, using the said sample lease guidelines, but he is authorized to make such changes or additions as he deems necessary to reflect the general intent of this ordinance and the advertisement of bids, and said Mayor is further authorized to execute said


lease at such time as the legal delays have run, the bids have been opened and read aloud, and a successful bidder has been selected by the City Council.

THIS ORDINANCE was introduced on December 8, 2014 and published in the *Natchitoches Times* on December 13, December 20 and December 27, 2014.

The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

| | |
|-----------------|---|
| AYES: | Payne, Nielsen, Mims, Stamey, Morrow |
| NAYS: | None |
| ABSENT: | None |
| ABSTAIN: | None |

THEREUPON, Mayor Lee Posey declared the Ordinance passed by a vote of 5 Ayes to 0 Nays this 12th day of January, 2015.



LEE POSEY, MAYOR



DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 13th day of January, 2015 at 10:00 A.M.

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

AIRPORT HANGER LEASE FOR AIRCRAFT MAINTENANCE SHOP

BE IT KNOWN, that on the dates and at the places indicated below, before the undersigned Notaries Public and subscribing witnesses, personally came and appeared:

THE CITY OF NATCHITOCHES, a Louisiana municipal corporation organized and operating under a Home Rule Charter, represented herein by Lee Posey, Mayor, duly authorized to act herein by Ordinance No. 052 of 2014, a copy of which is attached hereto and made a part hereof (hereinafter called "**CITY**" or "**LESSOR**");

AND

Christopher Smith d/b/a AERO-MECH, with mailing address of 510 Airport Road, Natchitoches, Louisiana, 71457, (hereinafter called "**LESSEE**")

BOTH OF WHOM DECLARED AS FOLLOWS:

1.

The **LESSOR** hereby leases to the **LESSEE**, the following described property, to-wit:

Lot 5 of Natchitoches Regional Airport as per the Airport Layout Plan, containing 0.92 acre, as is more fully shown on a Certificate of Survey by A. J. Brouillette, R. S., dated August 29, 1974, recorded in Conveyance Book 336, page 208, all of the Records of Natchitoches Parish, Louisiana, together with all improvements including the hanger and all appurtenances pertaining thereto, situated on said Lot 5.

2.

The initial or primary term of this lease shall be for a period of five (5) years, commencing on the 1st day of January, 2015, and continuing through midnight on the 31st day of December, 2019.

3.

The rental for this lease shall be the payment by the **LESSEE** to the **LESSOR** of the sum of \$220.00 per month, payable in advance the first day of each month, commencing on the 1st day of January, 2015, and continuing on the same day of each successive month throughout the

term of this lease. In the event of failure to pay any months' rent within ten (10) days of due date, the **LESSEE** agrees to pay a penalty of \$50.00 for each late payment.

All payments are to be made to the order of the City of Natchitoches, at the City Hall.

As additional consideration and a condition of this lease, the **LESSEE** agrees to maintain an aviation maintenance facility for the maintenance and repair of fixed wing and rotor wing aircraft for the public at the Natchitoches Regional Airport during the term of this lease or any extension thereof. **LESSEE** further agrees to employ at least one (1) full-time, qualified aircraft mechanic, keeping current all related maintenance and airframe licensing. **LESSEE** will provide for all necessary tools, equipment and machinery necessary for the operation of a full service aircraft mechanic shop.

4.

The **LESSEE** is given the option to extend the term of this lease for an additional five year period, under the same terms and conditions. If the **LESSEE** desires to exercise this option, it must notify the **CITY** in writing of its intention to extend the lease at least sixty (60) days prior to the termination date of the initial term.

5.

It is understood and agreed that the leased premises are a part of the Natchitoches Regional Airport and nothing herein shall construed to grant or authorized the granting of an exclusive right within the meaning of Section 308(A) of the Civil Aeronautics Act of 1958. The **LESSEE** understands and agrees that the lease is subordinate to any rules, regulations, and orders of the Federal Aviation Administration and the Division of Aviation, Louisiana Department of Transportation and Development. During the time of war or National emergency, the **CITY** has the right to lease any part hereof to the United States Government for Military or Naval use, and if any such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease of the government shall be suspended.

6.

The premises shall be used by **LESSEE** only for the purpose of operating an aircraft mechanics shop, including the repair, maintenance, and servicing of fixed wing and rotor wing aircraft, and related purposes. No portion of the leased premises shall be used for any other purpose and the **LESSEE** is specifically prohibited from subleasing all or any portion of the leased premises or assigning this lease in whole or part to any other person or firm without the express written permission of the **CITY**.

7.

a. **LESSEE** will pay all utilities and provide for all major maintenance and upkeep of the hanger and grounds adjacent to the hanger subject to this lease, but shall not be responsible for maintenance or repairs to the overhead door system. It is understood that the **LESSEE** shall abide by the Sanitary Code of the City of Natchitoches, and any other codes prescribed by City. **LESSEE** shall have the privilege of installing electricity, water, gas, telephone, and other utilities at its cost. All utility costs shall be borne by the **LESSEE**.

b. The **LESSEE** shall not sell gasoline or aviation fuel on the premises. The **LESSEE** shall have the right to store aviation fuel or the exclusive use of **LESSEE**, but all storage and dispensing equipment, tanks, and appurtenances shall comply with all local, state, and federal law and regulations.

c. Any mechanics, helpers, or other employees of the **LESSEE** all be the employees of the **LESSEE** and it is specifically understood and agreed that such employees are employees of the **LESSEE** and not the City. It is understood that this is a Lease agreement and this contract shall not be construed in any fashion at would make the **LESSEE** or its employees as agents or employees the **CITY** in any way.

d. The leased premises are in good condition and the **LESSEE** accepts same in said condition, and covenants and agrees to maintain all buildings and other improvements located thereon in a good and safe condition and as neat and clean as practicable. No noxious activities shall be conducted on the premises.

e. During the term of this lease the **LESSEE** shall be responsible, at its cost, for the maintenance and repair of all electrical, plumbing, and mechanical facilities on the leased premises, and shall return same in such condition as received at the conclusion of this lease. The **CITY** shall not be responsible for any maintenance and/or repair of the building or improvements except for structural repairs to the roof and ceiling of the hanger.

f. The **LESSEE** shall have the right to install such equipment and machinery as it deems necessary to carry on its contemplated activities, but agrees that it will not damage the hanger or other improvements in the installation of such equipment. The **LESSEE** agrees to remove all of its equipment within thirty days after the termination of this lease. If such equipment is not removed, the **CITY** may remove and store said equipment and charge the **LESSEE** for the actual out-of-pocket expenses incurred, plus a storage fee of \$70.00 per week, or fraction thereof.

g. **LESSEE** hereby covenants and agrees to protect, indemnify and hold harmless **LESSOR** against loss or damage (including damage to persons or property), arising from the operation and negligent acts of **LESSEE**, or its agents, officers, employees, or invitees, and shall have or obtain, and maintain in force, a policy or policies of insurance with companies satisfactory to the **CITY**, efficient in form to protect the **CITY** and the public against damages and liability arising from the operations of **LESSEE** in an amount not less than \$500,000.00 per occurrence.

h. The **CITY** will carry such fire or other casualty insurance on the building as it elects, and the **CITY** shall have responsibility for the carrying of such insurance.

8.

If the **LESSEE** shall violate any of the restrictions in this lease, or shall fail to keep any of its covenants or conditions for period of fifteen (15) days after written notices to cease such violations, **LESSOR** may at once, if it so elects, terminate this lease and take possession of the leased premises, reserving the right to sue for any past due rent or other damages, including attorney fees.

9.

In the event that the **LESSEE** should exercise its option to extend the lease for an

additional five year period, then in that event, the rental under this lease shall be adjusted to reflect the changes in the purchasing power of the dollar, whether upward or downward, as follows:

The base for the purpose of rental adjustment shall be the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor for the 1st of January 2015. The difference between the Index figure for January 1, 2015, and the figure published for that January immediately preceding any renewal term hereunder shall be determined and computed as a percentage of change. This percentage of the base rent shall be added to the annual base rent, or subtracted from it if the change be downward, and the sum shall constitute the annual rent for the renewal term.

If any change is made by the United States Government in the formulation or method under which the Consumer Price Index is computed, then the parties agree that an appropriate adjustment in computing the rent for any renewal term shall be made by the parties, and if they are unable to agree on such adjustment, then said adjustment shall be submitted to arbitration under the rules of the American Arbitration Association.

10.

The lease cannot be modified or changed except upon written agreement of the parties hereto.

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

THUS DONE AND SIGNED by the parties on this the 13 day of January, 2015, before the undersigned Notary Public and witnesses, at Natchitoches, Louisiana.

WITNESSES:

CITY OF NATCHITOCHES, LOUISIANA

Stacy McNeary

By:

Lee Posey
Lee Posey (Mayor)
(Lessor)

Hannah Weunigh

Edd R. Lee

NOTARY PUBLIC

Print Name: Edd R. Lee

Notary # 15749

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

THUS DONE AND SIGNED by the parties on this the 15th day of January,
2015, before the undersigned Notary Public and witnesses, at Natchitoches, Louisiana.

WITNESSES:

AERO-MECH, INC.

[Signature]

By: Christopher Smith
Christopher Smith
(Lessee)

[Signature]

Christopher Smith
Christopher Smith, Individually
(Lessee)

[Signature]
NOTARY PUBLIC

Print Name: Edd R. Lee
Notary # 15749

Mr. Jones then presented the council with information in reference to the introduction of Ordinance 001, Ordinance 002 and Resolution 003. He stated the City applied for a loan for the Water Treatment Plant filters and these are the bonds applied for. The first ordinance is setting up a method of issuing the bonds easier for the future to where all the definitions we use when issuing a bond we have in the bond ordinances. That way the terminology remains the same for our bonds should we apply for one in the future.

The second ordinance is specific to the two million dollars we are applying for the bond for the DHH loan for the Water Treatment Plant filter. These bonds are set at 3.45% interest rate with 30% principal forgiveness through DHH which is \$600,000 forgiven from the City dropping the rate to 2.4% with low paybacks.

The following Ordinance was introduced by Mr. Nielsen at the Natchitoches City Council meeting held on January 12th, 2015 as follows:

**ORDINANCE NO 001 OF 2015
GENERAL BOND ORDINANCE**

A GENERAL BOND ORDINANCE AUTHORIZING THE ISSUANCE FROM TIME TO TIME OF UTILITIES REVENUE BONDS OF CITY OF NATCHITOCHES, STATE OF LOUISIANA; PRESCRIBING THE FORM, AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; ESTABLISHING FUNDS AND ACCOUNTS RELATING TO SAID BONDS; PROVIDING FOR THE PAYMENT THEREOF IN PRINCIPAL AND INTEREST INCLUDING A RATE COVENANT RELATING THERETO; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City of Natchitoches, State of Louisiana (the "City") now owns and operates a combined waterworks plant and system, electric power and light plant and system and sewer utility system (the "System") as a combined revenue-producing work of public improvement; and,

WHEREAS, the City currently has outstanding the following described bonds payable from a pledge and dedication of the income and revenues of the System:

\$874,000 Utilities Revenue Bonds, Series 2009A, maturing on December 1 of the years 2015 through 2030, inclusive, bearing interest at a rate of 3.45% (inclusive of a 0.50% DHH Administrative Fee) and issued pursuant to Ordinance No. 44 of 2009 adopted by this governing authority on August 10, 2009;

\$2,613,000 Utilities Revenue Bonds, Series 2009B, maturing on December 1 of the years 2015 through 2030, inclusive, bearing interest at a rate of 3.45% (inclusive of a 0.50% DHH Administrative Fee) and issued pursuant to Ordinance No. 44 of 2009 adopted by this governing authority on August 10, 2009; and

\$1,030,000 of Utilities Revenue Refunding Bonds, Series 2013, maturing on December 1 of the years 2015 through 2022, inclusive, bearing interest at a rate of 2.15% and issued pursuant to Ordinance No. 30 of 2013 adopted by this governing authority on July 8, 2013;

the aforesaid issues being collectively referred to herein as the "Outstanding Parity Bonds"; and

WHEREAS, pursuant to Part VII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:821, *et seq.*), Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*), Section 2304 of Title 30 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 30:2304), Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1430), and/or Chapter 14-A, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1444, *et seq.*), and

other constitutional and statutory authority, it is now the desire of this City Council, as governing authority of the City, to adopt this General Bond Ordinance in order to provide for the issuance from time to time, and in one or more series, of utilities revenue bonds of the City (the "Bonds"), for the purpose of paying the cost of acquiring and constructing additions, extensions and improvements to the System, and for the other purposes set forth herein;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Natchitoches, State of Louisiana, acting as governing authority of the City of Natchitoches, State of Louisiana, that:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 1.01. Definitions. The following terms used in this General Bond Ordinance shall have the following meanings, unless the context clearly requires otherwise:

"Act" means any one or more of the following statutory authorities for the issuance of revenue bonds by the City:

- (i) Part VII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:821, *et seq.*);
- (ii) Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*);
- (iii) Section 2304 of Title 30 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 30:2304); and/or
- (iv) Section 1430, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1430)

together with any other constitutional and statutory authority supplemental thereto.

"Bonds" means the Outstanding Parity Bonds and any future issue of bonds authorized by this General Bond Ordinance and by a Series Ordinance.

"Bond Register" means the records kept by the Paying Agent in which registration of the Bonds and transfers of the Bonds shall be made as provided herein.

"Bond Year" means the one-year period ending on each December 1.

"Business Day" means any day on which the Federal Reserve System is in operation, the New York Stock Exchange is not closed and banks in the City of Natchitoches and in the City of New Orleans are open for business.

"Capital Appreciation Bonds" shall mean Bonds which pay interest only at maturity or redemption.

"Code" means the Internal Revenue Code of 1986, as the same may be amended and supplemented from time to time, including any regulations promulgated thereunder or any administrative or judicial interpretations thereof.

"Costs of the Project" means, with reference to any Project, all capital costs incurred or to be incurred for such Project, including but not limited to (a) engineering relating to the Project, (b) financing, legal and other fees and expenses related to the issuance of any series of the Bonds, (b) acquisition and construction costs of the Project, (c) interest on the Bonds during construction, and (d) a reasonable allowance for contingencies, all to the extent permitted by the Act and any rules or regulations promulgated thereunder.

"Credit Enhancement" shall mean any letter of credit, insurance policy, surety bond, standby bond purchase agreement or similar facility as used in connection with a series of the Bonds.

"Defeasance Obligations" means cash and/or Government Securities.

"Delivery Date" means the date on which any series of the Bonds are delivered to the purchaser thereof.

"Department" means (i) with respect to the Clean Water State Revolving Fund, the Louisiana Department of Environmental Quality and (ii) with respect to the Drinking Water Revolving Loan Fund, the Louisiana Department of Health and Hospitals, and any successor to the duties and functions thereof.

"Executive Officers" means, collectively, the Mayor of the City and the Clerk of this Governing Authority.

"Fiscal Year" means the one-year accounting period beginning on June 1 of each year, or such other fiscal year period as may be determined from time to time by the Governing Authority as the fiscal year of the City.

"Fixed Rate Bonds" means any series of Bonds issued with a fixed rate or rates or interest for the entire term thereof.

"General Bond Ordinance" means this General Bond Ordinance.

"Governing Authority" means the City Council of the City of Natchitoches, State of Louisiana, or its successor in function.

"Government Securities" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, which are non-callable prior to their maturity, may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.

"Interest Payment Date" means each date on which interest on any series of the Bonds is payable, as shall be set forth in the applicable Series Ordinance, which dates shall occur semi-annually unless otherwise required by the purchaser of any series of the Bonds.

"Net Revenues" means for the period in question the Revenues of the System, determined in accordance with then generally accepted accounting principles, after the payment of all reasonable and necessary expenses of operating and maintaining of the System as are not provided for from other lawfully available sources, except that there shall be excluded from the calculation of Net Revenues the following:

- (a) Gains on the sale or other disposition of investments or fixed or capital assets, which do not result from the ordinary course of business;
- (b) Investment income that is restricted to a purpose inconsistent with the payment of operating expenses or debt service, including (whether or not so restricted) interest earned on any construction fund or construction account created with the proceeds of borrowing by the City;
- (c) Any amounts received by way of government grants; and
- (d) Any capital outlay moneys received from the State;

Furthermore, there shall be added back to net income for purposes of calculating Net Revenues hereunder the following:

- (e) Losses on the sale or other disposition of investments or capital assets which do not result from the ordinary course of business;
- (f) Depreciation and amortization allowances;
- (g) Amounts paid as principal interest or redemption premium on any of the Bonds; and
- (h) Interest earnings on any of the funds described in Section 5.01.

"Ordinance" means this General Bond Ordinance authorizing the issuance of the Bonds, as hereafter amended or supplemented by Series Ordinances or in accordance with Article IX hereof.

"Outstanding" when used with respect to the Bonds, as of the date of determination, means all Bonds theretofore issued and delivered under this General Bond Ordinance except:

- (a) Bonds that have been cancelled or delivered to the Paying Agent for cancellation;
- (b) Bonds that have been defeased in accordance Section 11.01 hereof;
- (c) Bonds in exchange for or *in lieu* of which other Bonds have been registered and delivered pursuant to this General Bond Ordinance; or
- (d) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this General Bond Ordinance or by law.

"Outstanding Parity Bonds" has the meaning set forth in the preambles hereto.

"Outstanding Parity Bond Ordinances" means Ordinance No 44 of 2009 and Ordinance No. 30 of 2013, being the ordinances adopted by the Governing Authority authorizing the issuance of the Outstanding Parity Bonds.

"Owner" or "Owners" when used with respect to any Bond, means the Person in whose name such Bond is registered in the Bond Register.

"City" shall mean the City of Natchitoches, State of Louisiana.

"Paying Agent" means the person or organization designated as such in a Series Ordinance.

"Parity Obligations" means any additional *pari passu* indebtedness issued by the City pursuant to this General Bond Ordinance and a Series Ordinance, and payable from the Net Revenues in accordance with Section 6.01 hereof.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"Principal Payment Date" means each date on which principal on any series of the Bonds is payable, as shall be set forth in the applicable Series Ordinance, which dates shall occur annually unless otherwise required by the purchaser of any series of the Bonds.

"Project" means the acquisitions, extensions and improvements to any component of the System (electric, drinking water or wastewater) being financed by the sale of a series of the Bonds.

"Refunding Act" means Chapter 14-A, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1444, *et seq.*), and other constitutional and statutory authority supplemental thereto, which authorize the issuance of refunding bonds.

"Reserve Fund Requirement" means the following:

- (a) So long as any of the City's Utilities Revenue Refunding Bonds, Series 2013, remain outstanding, "Reserve Fund Requirement" shall mean a sum equal to the lesser of (i) 10% of the proceeds of the Outstanding Parity Bonds, or (ii) the highest combined principal and interest requirements for any succeeding Bond Year on the Outstanding Parity Bonds or (iii) 125% of the average aggregate amount of principal installments and interest becoming due in any Bond year on the Outstanding Parity Bonds, plus the amount set forth in a Series Ordinance for any future issue of the Bonds; or
- (b) After the City's Utilities Revenue Refunding Bonds, Series 2013, have been paid in full or discharged, "Reserve Fund Requirement" shall mean (i) with respect to the City's Utilities Revenue Bonds, Series 2009A and Series 2009B, the sum of \$139,000, being approximately one-half of the highest annual principal and interest requirements of such series in any succeeding Bond Year after 2022,

which shall be set aside in an account in the Reserve Fund as provided for in Section 5.01(c) below, and (ii) with respect to any future issues of the Bonds, the amount set forth as such in the applicable Series Ordinance.

"Revenues of the System" means all income and revenues to be derived by the City from the operation of the System, including User Fees or service fees and other income received from the operation of the System and earnings on investments in the funds and accounts described in Section 5.01 hereof, but not including any insurance or condemnation proceeds, or proceeds from the sale or other disposition of any part of the System, and including the following:

- (a) revenues of any *ad valorem* or sales tax that may be dedicated in whole or in part to the System and actually budgeted in a Fiscal Year to the improvement, operation or maintenance of the System or for the payment of debt service on the Bonds;
- (b) revenues from any other source whatsoever that are actually budgeted in a Fiscal Year to the improvement, operation or maintenance of the System or for the payment of debt service on the Bonds; and
- (c) amounts received by the City as a "Build America Bond" or other similar federal reimbursement, subsidy or similar payment with respect to any series of the Bonds.

"Series Ordinance" means an Ordinance adopted by the Governing Authority in accordance with Section 2.04 hereof authorizing the issuance and sale of any series of the Bonds.

"State" means the State of Louisiana.

"System" means the combined waterworks plant and system, electric power and light plant and system and sewer utility system of the City, as said combined system now exists and as it may be hereafter improved, extended or supplemented from any source whatsoever while the Bonds herein authorized remains outstanding, including specifically all properties of every nature owned, leased or operated by the City and used or useful in the operation of the System, and including real estate, personal and intangible properties, contracts, franchises, leases and chooses in action, whether lying within or without the boundaries of the City.

"User Fees" means charges or fees levied on users of the System for the cost of operation, maintenance and replacement of the System, for the repayment of debt incurred with respect to the System and for such other purposes as may be determined by the Governing Authority from time to time.

"Variable Rate Bonds" means any series of Bonds issued with a variable, adjustable, convertible or other similar rate or rates which are not fixed for the entire term thereof.

SECTION 1.02. Rules of Interpretation. Unless the context clearly indicates to the contrary, the following rules shall apply to the interpretation and construction of this General Bond Ordinance:

- (a) Words importing the singular number shall include the plural number and *vice versa*;
- (b) All references to particular articles or sections herein are references to articles or sections of this General Bond Ordinance;
- (c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this General Bond Ordinance, nor shall they affect its meaning, construction or effect;
- (d) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms as used in this General Bond Ordinance refer to this General Bond Ordinance in its entirety and not the particular article or section of this General Bond Ordinance in which they appear; and
- (e) The term "hereafter" means after the date of execution of this General Bond Ordinance and the term "heretofore" means before the date of the execution of this General Bond Ordinance.

ARTICLE II

AUTHORIZATION, ISSUANCE AND SALE OF BONDS

SECTION 2.01. Authorization and Issuance of Bonds. This General Bond Ordinance authorizes the issuance of indebtedness of the City to be designated "Utilities Revenue Bonds (or Utilities Revenue Refunding Bonds, as the case may be) of City of Natchitoches, State of Louisiana," and provides for the full and final payment of the principal or prepayment price of and interest thereof. Bonds may be, but are not required to be, designated as "taxable" or "tax-exempt" as the case may be, and may carry any other descriptive title as this Governing Authority may determine and set forth in a Series Ordinance.

All of the Bonds shall be issued under the authority of the Act and/or the Refunding Act, as the case may be. The Bonds shall be issued for the purpose of financing the costs of acquiring and constructing additions, extensions and improvements to the System or any portion thereof, and/or for the purpose of refunding any obligations issued for the same purposes. Proceeds of the Bonds may also be used to pay costs of issuance, costs of credit enhancement, capitalized interest and any required deposit to the Reserve Fund.

SECTION 2.02. Ordinance to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of this General Bond Ordinance shall be a part of the contract of the City with the Owners and shall be deemed to be and shall constitute a contract between the City and the Owners from time to time of the Bonds.

SECTION 2.03. Obligation of Bonds. All of the Bonds, regardless of the date of issue, shall enjoy complete parity of lien on the Net Revenues despite the fact that any of the Bonds may be delivered at an earlier date than any other of the Bonds. Subject to the foregoing, the Net Revenues are irrevocably and irrepealably pledged in an amount sufficient for the payment of the

Bonds, in principal and interest as they shall respectively become due and payable, and for the other purposes hereinafter set forth herein. The Revenues of the System shall be set aside in the funds and accounts described in Section 5.01 and shall be and remain so pledged for the security and payment of the Bonds in principal and interest, and for all other payments provided in this General Bond Ordinance, until all of the Bonds shall be fully paid and discharged.

The lien of the Bonds on the Net Revenues is intended to be and shall be prior and superior to the lien on any other indebtedness of the City or City payable from "all available revenues."

The City covenants and agrees to take such action as may be necessary from time to time to preserve the priority of the pledge of the Net Revenues under applicable law.

SECTION 2.04. Series Ordinances. The details of each series of the Bonds shall be set forth in a Series Ordinance to be adopted by the Governing Authority. Each Series Ordinance shall provide the following with respect to the applicable series of the Bonds:

- (a) The purposes, dated date, series designation and principal amount, and whether such series is issued under the Act (and specifying which statutory reference thereof) and/or the Refunding Act;
- (b) Whether such series will be Capital Appreciation Bonds, Fixed Rate Bonds or Variable Rate Bonds, and a description of the applicable interest rate or rates (or method of determining same) and the Interest Payment Dates;
- (c) The schedule of principal maturities or installments, or a formula for establishing same, and if such series will be Capital Appreciation Bonds a table of accreted values;
- (d) The manner of payment of principal and interest;
- (e) The optional and/or mandatory redemption provisions;
- (f) The form or forms of bonds;
- (g) The designation of the initial Paying Agent;
- (h) The terms of sale to the purchaser thereof;
- (i) The Reserve Fund Requirement, if any, and the amount, if any, of proceeds to be deposited into the account in the Reserve Fund, the date on which deposits to the Contingencies Fund shall commence and any changes in amounts to be deposited to or maintained in the Contingencies Fund established in Section 5.01(d);
- (j) If the series is issued to refund any outstanding obligations, a description of the plan of refunding and approval of any matters necessary or convenient to effect such refunding including the designation of an escrow agent and approval of an escrow deposit agreement, if necessary;

- (k) A finding by this Governing Authority that the parity requirements of the Outstanding Parity Bond Ordinances and/or Section 6.01 hereof will have been met with respect to such series, and a proposed form of parity certifications to be delivered on the Delivery Date of the series;
- (l) A finding by this Governing Authority that the proceedings had in connection with the issuance of such series is regular and authorizing the legend described in Section 2.07 to be included in the bonds of such series;
- (m) Authorization of the Executive Officers and/or such other persons as may be so designated to execute documents in connection with such series;
- (n) The designation of such series as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code, if applicable;
- (o) The designation of such series as "Build America Bonds" or other similar designations under federal or state laws or regulations as may be applicable;
- (p) Provisions for any continuing disclosure agreement as may be required by Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)];
- (q) Provisions for any post-issuance federal tax compliance procedures as may be necessary in connection with the issuance of the series;
- (r) Provisions for obtaining the approval of the State Bond Commission for the issuance of such series and covenants with respect to compliance with applicable rules and regulations of the State Bond Commission;
- (s) Provisions with respect to any Credit Enhancement; and
- (t) Any other additional provisions as may be necessary in connection with the issuance and sale of such series.

SECTION 2.05. Paying Agent. The City will at all times maintain a Paying Agent meeting the qualifications hereinafter described for the performance of the duties hereunder for the Bonds and as provided in Section 2.04(g) above will designate the Paying Agent for each series in the applicable Series Ordinance.

The City reserves the right to appoint a successor Paying Agent by (a) filing with the person then performing such function a certified copy of appropriate proceedings appointing a successor and (b) causing notice to be given to each Owner. Every successor Paying Agent appointed hereunder shall at all times be a financial or administrative officer of the City or a bank or trust company organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by Federal or State authority.

SECTION 2.06. Execution. The Bonds shall be executed in the name and on behalf of the City by the manual or facsimile signatures of the Executive Officers, and the corporate seal of the City (or a facsimile thereof) shall be affixed, imprinted, engraved or otherwise reproduced on the Bonds. If facsimile signatures are used, then such signatures shall have been registered with the Louisiana Secretary of State in the manner required by La. R.S. 39:244.

SECTION 2.07. Regularity of Proceedings. The City, after having investigated the regularity of the proceedings had in connection with the issuance of the Bonds, and having determined the same to be regular in the applicable Series Ordinance, shall cause each series of the Bonds shall contain the following recital, to-wit:

"It is certified that this bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State."

SECTION 2.08. Regarding the Outstanding Parity Bond Ordinances. To the extent that any inconsistency exists in any provision of this General Bond Ordinance and either of the Outstanding Parity Bond Ordinances, then at the option of the owners of the affected issue of the Outstanding Parity Bonds, the provisions of the applicable Outstanding Parity Bond Ordinance shall control with respect to such issue instead of the provisions of this General Bond Ordinance.

ARTICLE III

PREPAYMENT OF BONDS

SECTION 3.01. Optional Prepayment of Bonds. The principal installments of the Bonds shall be subject to prepayment by the City in the manner set forth in the applicable Series Ordinance, pursuant to Section 2.04(e) above. If less than all of any maturity of Bonds is to be redeemed, then the Bonds to be redeemed shall be selected by the Paying Agent by lot, or in such other manner as may be set forth in the applicable Series Ordinance.

SECTION 3.02. Notice of Prepayment. Unless otherwise provided in a Series Ordinance, official notice of such call of any of the Bonds for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the United States Mail not less than thirty (30) days prior to the prepayment date addressed to the Owner of each Bond to be prepaid at his address as shown on the registration records of the Paying Agent, which notice may be waived by any Owner. In the event a portion of the Bonds is to be prepaid, such Bonds shall be surrendered to the Paying Agent, who shall note the date and amount of such prepayment in the space provided therefor on the Bonds.

ARTICLE IV

APPLICATION OF BOND PROCEEDS

SECTION 4.01. Application of Bond Proceeds. All of the proceeds derived from the sale of each series of the Bonds, except for any proceeds as may be designated in a Series Ordinance for deposit into the Reserve Fund or as accrued interest into the Debt Service Fund or as may be required in connection with the refunding of any indebtedness, or for the payment of the costs of any Credit Enhancement, shall be deposited by the City in a construction fund or

account to be established for such series of the Bonds (the "Construction Fund"). Proceeds of any series of the Bonds in the Construction Fund (including investment earnings thereon) shall be used solely for the purpose of paying the applicable Costs of the Project and costs of issuance, and shall not be commingled with the proceeds of any other series of the Bonds.

However, in the case of refunding bonds, the proceeds to be used for refunding shall be applied to the immediate prepayment of the refunded obligations, or deposited into an escrow fund, as may be set forth in a Series Ordinance.

Any accrued interest and premium received upon the sale of the Bonds shall be deposited in the debt service fund described in Section 5.01(b) hereof.

SECTION 4.02. Investment of Construction Fund. Moneys in the Construction Fund may be temporarily invested in the manner provided by Louisiana law. Said moneys shall be sacred funds and the Owners shall have a lien thereon until said funds are paid out for the purposes for which the applicable series of the Bonds were issued. Any investment earnings on moneys in the Construction Fund may be retained in the Construction Fund and applied for the purposes described in this Section, or may be transferred to the Debt Service Fund described in Section 5.01(b) hereof and applied to the payment of interest accruing on the Bonds during the period of construction of Project.

All moneys in the Construction Fund shall at all times be secured to the full extent thereof by the banks or trust companies holding such funds by direct obligations of the United States of America or the State of Louisiana having a market value not less than the amount of moneys then on deposit in said funds.

ARTICLE V

PAYMENT OF BONDS; FLOW OF FUNDS

SECTION 5.01. Funds and Accounts. All of income and revenues earned or derived from the operation of the System shall be deposited daily as the same may be collected in the existing "Utility System Fund" heretofore referred to in the Outstanding Parity Bond Ordinances (the "Revenue Fund"). Funds in the Revenue Fund shall be expended in the following order of priority and for the following express purposes:

- (a) The payment of all reasonable and necessary expenses of operating and maintaining of the System as are not provided for from other lawfully available sources.
- (b) The maintenance of a "Utilities Revenue Bond Debt Service Fund" (the "Debt Service Fund"), referred to in the Outstanding Parity Bond Ordinances as the "Sinking Fund," with the regularly designated fiscal agent of the City, sufficient in amount to pay promptly and fully the principal of and the interest on the Bonds as they severally become due and payable, by transferring from funds in the Revenue Fund, after making the payments required by (a) above, to the Debt Service Fund monthly on or before the 20th day of each month of each year, a sum equal to 1/6th of the interest and Administrative Fee of the Department, if

any, falling due on the Bonds on the next Interest Payment Date and a sum equal to 1/12th of the principal falling due on the Bonds on any Principal Payment Date that occurs within the next ensuing twelve months, together with such additional proportionate monthly sum as may be required to pay said principal, interest and Administrative Fee of the Department as the same become due. The City shall transfer from said Debt Service Fund to the paying agent(s) for all Bonds payable from the Debt Service Fund, or directly to the Owners, not less than three days prior to each Interest Payment Date, funds fully sufficient to pay promptly the principal, interest of the Bonds falling due on such date (including any administrative fee with respect to Bonds purchased by the Department).

- (c) The maintenance of a "Utilities Revenue Bond Debt Service Reserve Fund" (the "Reserve Fund"), referred to in the Outstanding Parity Bond Ordinances as the "Reserve Fund," with the regularly designated fiscal agent of the City, the money in the accounts of Reserve Fund to be retained solely for the purpose of paying the principal of and interest on the respective series of the Bonds payable from the Debt Service Fund as to which there would otherwise be default. The Reserve Fund shall initially contain of an account designated "Series 2009/2013 Account" funded to **\$417,549.41**, being the lesser of the following:

- (A) 10% of the proceeds of the Outstanding Parity Bonds, as follows:

| | | |
|--------------|---------------------|-------------------------------|
| Series 2009A | \$ 1,000,000 | (net of 50% forgiveness) |
| Series 2009B | 3,000,000 | |
| Series 2012 | <u>1,245,000</u> | |
| | <u>\$ 5,245,000</u> | x 10% = \$524,500 ; or |

- (B) The highest combined principal and interest requirements on the Outstanding Parity Bonds, being the sum of **\$480,214.50** due in the Bond Year ending December 1, 2016; or

- (C) 125% of the average aggregate amount of principal and interest due in any Bond Year on the Outstanding Parity Bonds, being the sum of $\$334,039.53 \times 125\% = \mathbf{\$417,549.41}$.

The Reserve Fund shall also contain a separate account for each future series of the Bonds, each such account to be designated as the "Series (insert series designation) Account" and to be funded by transferring from the proceeds of such series, from other available revenues, or from the Revenue Fund (after making all required payments from said fund as hereinabove described), monthly or annually, such amounts as will increase the total amount on deposit in each account in the Reserve Fund within a period not exceeding five (5) years from the Delivery Date to a sum equal to the Reserve Fund Requirement for the applicable series of the Bonds.

- (d) The maintenance of the "Depreciation and Contingencies Fund" (the "Contingencies Fund"), with the regularly designated fiscal agent of the City, to care for extensions, additions, improvements, renewals and replacements

necessary to properly operate the System, by transferring from funds in the Revenue Fund after making the payments required by (a), (b) and (c) above to the Contingencies Fund monthly on or before the 20th day of each month of each year, a sum equal to seven percent (7%) of the Revenues but such percentage shall not be applied to Revenues used to purchase power or received due to fuel adjustment charges, or an amount equal to twenty-five percent (25%) of the amount scheduled that month for payment to the Sinking Fund, whichever is greater. Such payments into the Contingencies Fund shall commence on the date set forth in the applicable Supplemental Ordinance and shall continue until such time as there has been accumulated in the Contingencies Fund the sum of Two Million Dollars (\$2,000,000), whereupon such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced below the sum of Two Million Dollars (\$2,000,000), in which event such payments shall be resumed and continue until said maximum amount is again accumulated. In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, the money in the Contingencies Fund may also be used to pay the principal of and the interest on the Bonds for the payment of which there is not sufficient money in the Debt Service Fund and Reserve Fund described in paragraphs (b) and (c) above, but the money in said Contingencies Fund shall never be used for the making of improvements and extensions to the System or for payment of principal or interest on Bonds if the use of said money will leave in said Contingencies Fund for the making of emergency repairs or replacements less than the sum of Fifteen Thousand Dollars (\$15,000).

- (e) Any money remaining in the Revenue Fund after making the above-required payments may be used by the City for the purpose of calling and/or purchasing and paying any bonds payable from the Net Revenues, or for such other lawful corporate purposes as the Governing Authority may determine.

SECTION 5.02. Reserve Fund Surety Bond or Policy Allowed. In lieu of the required transfers or deposits to the any account in the Reserve Fund other than the Series 2009/2013 Account, the City may cause to be deposited into such account in the Reserve Fund a surety bond or an insurance policy for the benefit of the holders of the applicable series of the Bonds or a letter of credit in an amount equal to the difference between the Reserve Fund Requirement for such series and the sums then on deposit in the applicable account in the Reserve Fund, if any, after the deposit of such surety bond, insurance policy or letter of credit. Such difference may be withdrawn by the City and be deposited in the Revenue Fund. The surety bond, insurance policy or letter of credit shall be payable (upon the giving of notice as required thereunder) on any due date on which monies will be required to be withdrawn from the account in the Reserve Fund and applied to the payment of principal, premium, if any, or interest on the related series of the Bonds and such withdrawal cannot be met by amounts on deposit in such account in the Reserve Fund. If a disbursement is made pursuant to a surety bond, an insurance policy or a letter of credit provided pursuant to this section, the City shall be obligated either (i) to reinstate the maximum limits of such surety bond, insurance policy or letter of credit or (ii) to deposit into the applicable account in the Reserve Fund, funds in the amount of the disbursement made under such surety bond, insurance policy or letter of credit, or a combination of such alternatives, as

shall result in the amount in the applicable account in the Reserve Fund being equal to the Reserve Fund Requirement for that series of the Bonds. Any other provision in this Section to the contrary notwithstanding, for each particular series of Bonds or portion thereof which is entitled to the benefits of Credit Enhancement, the right of the City to cause a surety bond or an insurance policy to be deposited into the Reserve Fund *in lieu* of the required cash transfers or deposits thereto shall be subject to the condition that the City obtain the prior written consent of the provider of the Credit Enhancement for such series as to the structure and the City or provider of such surety bond or insurance policy.

SECTION 5.03. Replenishment of Funds. If at any time it shall be necessary to use moneys in any account of the Reserve Fund or the Contingencies Fund for the purpose of paying principal of or interest on Bonds payable from the Debt Service Fund as to which there would otherwise be default, then the moneys so used shall be replaced from the revenues first thereafter received, not hereinabove required to be used for the purposes described in Section 5.01(a) and (b) above. If at any time there are sufficient moneys on deposit in the Debt Service Fund, Reserve Fund and Contingencies Fund to retire all outstanding Bonds payable from the Debt Service Fund by defeasance, by exercising the prepayment option provided by such Bonds or by purchase on the open market, then the City may utilize such funds for such purpose.

SECTION 5.04. Notification of Deficiencies. As required by La. R.S. 39:1410.62 the City will notify the State Bond Commission, in writing, whenever (i) transfers to any fund required to be established by this General Bond Ordinance or any ordinance or resolution authorizing the issuance of other indebtedness of the City have not been made timely or (ii) principal, interest, premiums, or other payments due on the Bonds or any other outstanding indebtedness of the City have not been made timely.

SECTION 5.05. Investment of Funds. All or any part of the moneys in the foregoing funds and accounts shall, at the written request of the City, be invested in accordance with the provisions of the laws of the State of Louisiana, except that moneys in any account in the Reserve Fund, if any, must be invested in Government Securities maturing in five (5) years or less from the date of investment. All income derived from such investments shall be added to the money in said respective funds or to the Revenue Fund and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purpose for which the respective funds are herein created.

For the purpose of determining if the required amount is being maintained in any of the funds, such investment securities shall be valued at least annually at the lesser of amortized cost (exclusive of accrued interest) or fair market value.

SECTION 5.06. Deposit of Funds and Security Therefor. All of the income and revenues to be earned from the operation of the System shall be deposited daily as provided in Section 5.01 hereof in the Revenue Fund, which Fund shall be maintained separate and apart from all other funds of the City. The Debt Service Fund, the Reserve Fund and the Contingencies Fund shall be held by the depository banks as special trust funds for the purposes provided in this General Bond Ordinance, and all other funds shall be held by the designated banks as special deposits for the purposes set forth in this General Bond Ordinance, and subject to such reasonable instructions as the Governing Authority may give in writing to the banks

holding such funds. The Owners are hereby granted a lien on all funds established pursuant to the requirements of this General Bond Ordinance until applied in the manner herein provided, provided that the Owners will only have a lien or claim against the particular account in the Reserve Fund that pertains to the issue of the Bonds that such Owners own. The moneys on deposit in all of the funds herein required shall at all times be secured to the full extent thereof by the banks or trust companies holding such funds by direct obligations of the United States of America or the State of Louisiana having a market value not less than the amount of moneys then on deposit in said funds.

ARTICLE VI

ISSUANCE OF PARITY OBLIGATIONS

SECTION 6.01. Issuance of Parity Obligations; Parity Requirements. The City hereby covenants that it shall issue no other bonds hereunder or otherwise, or obligations of any kind or nature payable from or enjoying a lien on any part of the Net Revenues having priority over or parity with any of the Bonds, except that Parity Obligations may be issued hereunder and hereafter if the following conditions are met:

- (a) If any of the Bonds or any bonds issued hereunder are proposed to be refunded with reduced annual debt service in each Bond Year and no extension of the final maturity date, then the City may issue refunding bonds to effect such refunding, and such refunding bonds shall enjoy complete equality of lien with any portion of the Outstanding Parity Bonds and the Bonds that is still outstanding;
- (b) Parity Obligations may also be issued if all of the following conditions are met:
 - (i) The average Net Revenues for the three (3) completed Fiscal Years immediately preceding the issuance of the Parity Obligations must have been not less than one and three-tenths (1.3) times the highest combined principal and interest requirements (including any Department administrative fee) for any succeeding Fiscal Year period on all Bonds then Outstanding, including any Parity Obligations theretofore issued and then outstanding and any other bonds or obligations whatsoever then outstanding which are payable from the Net Revenues (but not including Bonds which have been refunded or provisions otherwise made for their full and complete payment and prepayment), and the Parity Obligations so proposed to be issued. For the purpose of this calculation, principal maturities shall include mandatory redemption of term bonds and there shall be subtracted from term bond maturities the amount of such mandatory redemption so that the calculation shall be made assuming retirement of the term bonds according to the schedule of mandatory redemption. Furthermore, if Parity Obligations are being issued as Variable Rate Bonds, this calculation shall be made assuming interest on said Variable Rate Bonds at the maximum or ceiling rate that such bonds may bear; and provided further that this limitation may be waived or modified by the written consent of the owners of any Bonds then

outstanding. If a rate increase has been effected prior to the issuance of the Parity Obligations, then the coverage calculations for the preceding three Fiscal Years immediately preceding the issuance of the Parity Obligations may be made as if such rate increase had been in effect during such period.

- (ii) The payments required to be made into the various funds provided in Section 5.01 hereof must be current;
- (iii) The existence of the facts required by paragraphs (i) and (ii) above must be determined and certified to by the chief financial officer of the City, or by an independent firm of certified public accountants who have previously audited the books of the City, or such successors thereof as may have been employed for that purpose;
- (iv) In making the determination of the facts required by paragraphs (i) above in the event of a rate increase having been effected prior to the issuance of the Parity Obligations, there may be a reliance upon the calculation of the adjustment of Net Revenues as a result of such increase as prepared by a recognized engineer or firm of engineers employed for such purpose;
- (v) The proceeds of the Parity Obligations must be used solely for the making of improvements, extensions, renewals, replacements or repairs to the System or to refund any outstanding bonds payable from a pledge of the Net Revenues issued for such purposes;
- (vi) The proceeds of the Parity Obligations must be used solely for the making of improvements, extensions, renewals, replacements or repairs to the System or to refund any outstanding bonds payable from a pledge of the Net Revenues issued for such purposes; and
- (vii) No Event of Default hereunder or under any Series Ordinance (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance, unless otherwise permitted by the provider(s) of any Credit Enhancement.
- (viii) In addition to the foregoing, for so long as any of the Outstanding Parity Bonds are outstanding, then any additional parity bond requirements contained in the Outstanding Parity Bond Ordinances shall also be complied with.

ARTICLE VII

RATES AND CHARGES; RATE COVENANT; COVENANTS AS TO THE OPERATION OF THE SYSTEM

SECTION 7.01. Operation of the System. The City will maintain the System in good repair and operating condition.

SECTION 7.02. Utility Connections. The Governing Authority shall take all action necessary to require every owner, tenant or occupant of each lot or parcel of land within the geographical boundaries of the City which abuts upon a street or other public way containing an electric supply line, a drinking water distribution line or a wastewater collection line and upon which lots or parcels of a building shall have been constructed for residential, commercial or industrial use, to connect said building with the electric, drinking water and/or wastewater portions of the System and to cease to use any other method for the provision of electricity (other than alternative electricity generation sources such as solar or wind limited to furnishing power to the specific property in question), or the furnishing of drinking water through the plumbing system of such building or the collection and disposal of wastewater from such building which can be handled by the electric, drinking water and/or wastewater portions of the System. All such connections shall be made in accordance with the rules and regulations to be adopted from time to time by the Governing Authority, which rules and regulations may provide for an inspection charge to assure the proper making of such connection.

In addition to all other rights and remedies available to be used for the enforcement of utility charges and for the compelling of the making of electric, water and sewer connections as aforesaid, the City covenants that it shall exercise and enforce promptly and efficiently all rights given it under the laws of the State for the enforcement and collection of such charges.

SECTION 7.03. Competitive Franchises. So long as the Bonds are Outstanding the Governing Authority, in its capacity as governing authority of the City, obligates itself not to grant a franchise to any utility for operation within the boundaries of the City which would render services or facilities in competition with the System, and also obligates itself to oppose the granting of any such franchise by any other public body having jurisdiction over such matters. Further, the City shall maintain its corporate identity and existence so long as any of the Bonds remain outstanding.

SECTION 7.04. Rate Covenant. The City, through the Governing Authority, hereby covenants to fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities of the System, and all parts thereof, and to revise the same from time to time whenever necessary, as will always provide revenues in each year sufficient to pay the necessary expenses of administering, operating and maintaining the System in each year, the principal and interest maturing on the Bonds herein authorized in each year, all reserves or sinking funds or other payments required for such year by this Ordinance, and all other obligations or indebtedness payable out of the revenues of the System for such year. Such rates, fees, rents or other charges shall not at any time be reduced so as to be insufficient to provide adequate revenues for such purposes and at any rate, the Governing Authority shall fix, establish, maintain, levy and collect such rates, fees, rents or other charges for services and facilities system to always provide revenues in each fiscal year sufficient to pay:

- (a) The reasonable and necessary expenses of operating and maintaining the System in each Fiscal Year,
- (b) The principal and interest and Administrative Fee, if any, of the Department falling due during the Fiscal Year;

- (c) All other payments required for such Fiscal Year by this General Bond Ordinance and the applicable Series Ordinance(s); and
- (d) All other obligations or indebtedness of the City payable out of the Net Revenues for such Fiscal Year,

and which in any event will provide Net Revenues, in an amount equal to at least one hundred twenty-five percent (125%) of the required deposits in such Fiscal Year to the Debt Service Fund. Such rates, fees, rents or other charges shall not at any time be reduced so as to be insufficient to provide adequate Revenues of the System for the foregoing purposes.

As provided by La. R.S. 39:1019, no board or commission other than the Governing Authority shall have authority to fix or supervise making of such fees and charges.

SECTION 7.05. Enforcement of User Fees. Except as otherwise provided, nothing in this Ordinance or in the Bonds shall be construed to prevent the City from altering, amending or repealing from time to time as may be necessary any resolutions or ordinances setting up and establishing a schedule or schedules of rates and charges for the services and facilities to be rendered by the System, said alterations, amendments or repeals to be conditioned upon the continued preservation of the rights of the Owners with respect to the income and revenues of the System, not alone for the payment of the principal of and the interest on the Bonds, but to give assurance and insure that the income and revenues of the System shall be sufficient at all times to meet and fulfill the other provisions stated and specified in Section 5.01 of this Ordinance.

It is understood and agreed, however, that the City shall fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities to be rendered by the System, irrespective of the user thereof, that no free services or facilities shall be furnished to any person, association of persons or corporation, public or private, except the City itself, and that all service shall be metered, and that no discrimination shall be made as to rates and charges for the services and facilities of the System as between users of the same type or class, provided, however, that the City shall not be required to meter electricity used by the City for street lighting purposes nor shall the City be required to meter water used for firefighting purposes through its fire hydrants. Nor shall the City be required to pay from its general revenues to the Revenue Fund any annual fire hydrant rental nor any fees for electricity used for municipal street lighting.

It is further understood and agreed that the schedule of rates, fees, rents, or other charges being charged as of the date of the adoption of this General Bond Ordinance for services and facilities rendered by the System shall remain in effect until changed in compliance with the provisions of Section 7.04 of this Bond Ordinance. The City agrees that all charges owed by any individual, partnership or corporation for water, sewer and electricity rendered by the Utilities System shall be billed and collected as a unit; that failure of any individual, partnership or corporation to pay said combined charge within fifteen (15) days of the date on which it is billed shall cause such charge to become delinquent; that if such delinquent charge, with penalties accrued thereon, is not paid within ten (10) days from the date on which it became delinquent, the City will shut off water and electric service to the affected premises within the City and water service to the affected premises for customers outside the City limits; and that the City, the

Governing Authority and its officials, agents and employees will do all things necessary and will take advantage of all remedies afforded by law to collect and enforce the prompt payment of all charges made for utilities services rendered by the System.

All delinquent charges for such services shall on the date of delinquency have added thereto delinquent charges, penalties and interest at such rate(s) as may be fixed from time to time by this Governing Authority. If service shall be discontinued as above provided, the customer shall in addition to paying the delinquent charges, penalties and interest, pay as a condition precedent to the resumption of service, a reasonable re-connection charge for each service resumed.

It is further understood and agreed that the schedule of rates, fees, rents and other charges being charged as of the date of the adoption of this General Bond Ordinance for services and facilities rendered by the System shall remain in effect and neither said existing schedule nor any subsequent schedule shall be reduced at any time unless all payments required for all funds by this General Bond Ordinance, including any deficiencies for prior payments, have been fully made, and unless such schedule as so reduced will in each year thereafter produce sufficient revenues to meet and fulfill the other provisions stated and specified in in Section 5.01 of this Ordinance.

SECTION 7.06. Annual Review of User Fees. At least annually the Governing Authority shall review the adequacy of its User Fees to satisfy the requirements of Section 7.047.03 for the next succeeding Fiscal Year.

SECTION 7.07. Right to Pledge Revenues; Rank of Lien. In providing for the issuance of the Bonds, the City does hereby covenant and warrant that it has a legal right to pledge the Net Revenues as herein provided, that the Bonds will have a lien and privilege on said Net Revenues subject only to the prior payment from such Net Revenues or from other lawfully available sources of all reasonable and necessary costs and expenses of operating and maintaining the System. The lien of the Bonds on the Net Revenues shall be prior and superior to the lien on any other indebtedness of the City or City payable from "all available revenues."

SECTION 7.08. Records and Accounts; Audit Reports. The City will establish and maintain (or cause the City to establish and maintain) adequate financial records as required by the laws of the State governing financial record-keeping by political subdivisions and in accordance with generally accepted accounting principles ("GAAP") and will make these and the following records and reports available to the Owners or their authorized representatives upon request.

The City will cause an audit of its financial statements to be made by an independent firm of certified public accountants in accordance with the requirements of Chapter 8 of Title 24 of the Louisiana Revised Statutes of 1950, as amended, and if either Department owns any of the Bonds, in accordance with the requirements of Circular A-133 of the U.S. Office of Management and Budget, and Section 66.458 or 66.468, as the case may be, of the Catalog of Federal Domestic Assistance, if applicable. Upon completion, but in no event later than six (6) months after the close of the applicable Fiscal Year, the City shall file a copy of such audited financial statements with any Owner requesting same and to the provider(s) of any Credit

Enhancement. In addition to whatever matters may be thought proper by the auditors to be included therein, the audited financial statements shall include the following:

- (a) A statement in detail of the income and expenditures of the System for such Fiscal Year,
- (b) A balance sheet of the System as of the end of such Fiscal Year;
- (c) The accountant's comments regarding the manner in which the City has carried out the requirements of this General Bond Ordinance and the accountant's recommendations for any changes or improvements in the operation of the System or the method of keeping the records relating thereto;
- (d) A list of the insurance policies in force at the end of the Fiscal Year, setting out as to each policy the amount of the policy, the risks covered, the name of the insurer and the expiration date of the policy;
- (e) The number of System users at the end of the Fiscal Year;
- (f) An analysis of additions, replacements and improvements to the physical properties of the System during the Fiscal Year;
- (g) An analysis of all funds created pursuant to this General Bond Ordinance setting out as to each all deposits and disbursements made during the Fiscal Year;
- (h) A statement of all schedules of User Fees in effect during the Fiscal Year, the aggregate dollar billed for services rendered by the System during such Fiscal Year and the average monthly billing per user; and
- (i) A schedule of fixed assets, if not provided elsewhere in the audit report.

A reasonable portion of the expenses incurred in the preparation of the audit report required by this Section may be regarded and paid as a maintenance and operation expense of the System. The City further agrees that if the Department owns any of the Bonds, the Department shall have the right to ask for and discuss with the accountant making the review and the contents of the review and such additional information as it may reasonably require. The City further agrees that if the Department owns any of the Bonds, the City will furnish to the Department, upon request therefor, a monthly statement itemized to show the income and expenses of the operation of the System and the number of users for the preceding month.

SECTION 7.09. Rights of Bondholders; Appointment of Receiver in Event of Default. The Owners from time to time shall be entitled to exercise all rights and powers for which provision is made in the laws of the State of Louisiana, including, without limitation, La. R.S. 39:1014(C). Any Owners or any trustee acting for such Owners in the manner hereinafter provided, may, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Louisiana, or granted and contained in the Ordinance, and may enforce and compel the performance of all duties required by the Ordinance, or by any applicable statutes to be

performed by the City or by any agency, board or officer thereof, including the fixing, charging and collecting of rentals, fees or other charges for the use of the System, and in general to take any action necessary to most effectively protect the rights of the Owners.

The provider of any Credit Enhancement with respect to a series of the Bonds shall be deemed to be the sole Owner of such Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of such Bonds are entitled to take pursuant to this General Bond Ordinance or the applicable Series Ordinance including, without limitation, those pertaining to (i) defaults and remedies under Article X and (ii) the duties and obligations of the Paying Agent.

In the event that default shall be made in the payment of the interest on or the principal of any of the Bonds as the same shall become due, or in the making of the payments into the Debt Service Fund or Reserve Fund or any other payments required to be made by this General Bond Ordinance or any Series Ordinance, or in the event that the City or any agency, board, officer, agent or employee of the City shall fail or refuse to comply with the provisions of this General Bond Ordinance or any Series Ordinance or shall default in any covenant made herein, and in the further event that any such default shall continue for a period of thirty (30) days after written notice, then any Owner or any trustee appointed to represent such Owner(s) as hereinafter provided, shall be entitled as of right to the appointment of a receiver of the System in an appropriate judicial proceeding in a court of competent jurisdiction.

The receiver so appointed shall forthwith directly or by his agents and attorneys, enter into and upon and take possession of the System, and each and every part thereof, and shall hold, operate and maintain, manage and control the System, and each and every part thereof, and in the name of the City shall exercise all the rights and powers of the City with respect to the System as the City itself might do. Such receiver shall collect and receive all rates, fees, rentals and other revenues, maintain and operate the System in the manner provided in this General Bond Ordinance, and comply under the jurisdiction of the court appointing such receiver, with all of the provisions of this General Bond Ordinance.

Whenever all that is due upon the Bonds and interest thereon, and under any covenants of this General Bond Ordinance or any Series Ordinance for reserve, sinking or other funds, and upon any other obligations and interest thereon, having a charge, lien or encumbrance upon the fees, rentals or other revenues of the System, shall have been paid and made good, and all defaults under the provisions of this General Bond Ordinance and any Series Ordinance shall have been cured and made good, possession of the System shall be surrendered to the City upon the entry of an order of the court to that effect. Upon any subsequent default, any Owner of Bonds, or any trustee appointed for the Owners as hereinafter provided, shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver shall in the performance of the powers hereinabove conferred upon him be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court, and may be removed thereby and a successor receiver appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may

deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the City and for the joint protection and benefit of the City and the Owners. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any property of any kind or character belonging or pertaining to the System but the authority of such receiver shall be limited to the possession, operation and maintenance of the System for the sole purpose of the protection of both the City and the Owners and the curing and making good of any default under the provisions of this General Bond Ordinance and any Series Ordinance, and the title to and the ownership of the System shall remain in the City, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any property of the System except with the consent of the City and in such manner as the court shall direct.

The Owner or Owners of Bonds in an aggregate principal amount of not less than twenty-five percent (25%) of Bonds issued under this General Bond Ordinance then Outstanding (including the Outstanding Parity Bonds) may by a duly executed certificate appoint a trustee for the Owners with authority to represent such Owners in any legal proceedings for the enforcement and protection of the rights of such Owners. Such certificate shall be executed by such Owners, or by their duly authorized attorneys or representatives, and shall be filed in the office of the chief financial officer of the City.

UNTIL AN EVENT OF DEFAULT SHALL HAVE OCCURRED, THE CITY SHALL RETAIN FULL POSSESSION AND CONTROL OF THE SYSTEM WITH FULL RIGHT TO MANAGE, OPERATE AND USE THE SAME AND EVERY PART THEREOF WITH THE RIGHTS APPERTAINING THERETO, AND TO COLLECT AND RECEIVE, AND, SUBJECT TO THE PROVISIONS OF THIS GENERAL BOND ORDINANCE, TO TAKE, USE AND ENJOY AND DISTRIBUTE THE EARNINGS, INCOME, RENT, ISSUE AND PROFITS ACCRUING ON OR DERIVABLE FROM THE SYSTEM.

SECTION 7.10. Limitations on Sale, Lease or Other Disposition of Property. So long as any of the Bonds are outstanding and unpaid in principal or interest, the City shall be bound and obligated not to sell, lease, encumber or in any manner dispose of the System or any substantial part thereof; provided, however, that this covenant shall not be construed to prevent the disposal by the City of property which in its judgment has become worn out, unserviceable, unsuitable or unnecessary in the operation of the System, when other property of equal value or function is substituted therefor or the sale price thereof is deposited in the aforesaid Contingencies Fund.

SECTION 7.11. Prohibition Against Encumbrances. Except as provided in Section 7.10 of this General Bond Ordinance, the City will maintain title to or the possession of the System and equipment acquired and properties improved by the System, including any necessary servitudes and rights-of-way acquired in connection with the System or any Project. Title to any immovable equipment and any real property purchased by the City in connection with the System will remain free and clear of all liens and encumbrances. Furthermore, all movable

property necessary for the operation of the System will remain free of all liens except liens necessary to secure the purchase of said movable equipment.

SECTION 7.12. Insurance; Fidelity Bonds. So long as the Bonds are outstanding the City will maintain or cause to be maintained in force insurance policies and fidelity bonds as shall be required by prudent business practices relating to the operation of municipal sewerage systems.

ARTICLE VIII

FEDERAL TAX MATTERS; CONTINUING DISCLOSURE

SECTION 8.01. General Tax Covenants. In the event that any of the Bonds are issued as tax-exempt bonds for federal income tax purposes, or as Build America Bonds (or similar), the City covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Code in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code or the status of the Bonds as Build America Bonds (or similar).

The City further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the City to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be "private activity bonds" or fail to be Build America Bonds (or similar), if applicable.

ARTICLE IX

SUPPLEMENTAL BOND ORDINANCES

SECTION 9.01. Supplemental Ordinances Effective Without Consent of Owners. For any one or more of the following purposes, in addition to the adoption of Series Ordinances pursuant to Section 2.04 with respect to the issuance of additional series of the Bonds, and at any time from time to time, an ordinance supplemental hereto may be adopted, which, upon the filing with the Paying Agent and any rating agency which is then rating any of the Bonds, of a notice thereof at least fifteen (15) days prior to the adoption thereof, and thereafter with a certified copy thereof, but without any consent of the Owners, shall be fully effective in accordance with its terms:

- (a) To add to the covenants and agreements of the City in this General Bond Ordinance other covenants and agreements to be observed by the City which are not contrary to or inconsistent with this General Bond Ordinance as theretofore in effect;

- (b) To add to the limitations and restrictions in this General Bond Ordinance other limitations and restrictions to be observed by the City which are not contrary to or inconsistent with this General Bond Ordinance as theretofore in effect;
- (c) To surrender any right, power or privilege reserved to or conferred upon the City by the terms of this General Bond Ordinance, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the City contained in this General Bond Ordinance;
- (d) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of this General Bond Ordinance; or
- (e) To insert such provisions clarifying matters or questions arising under this General Bond Ordinance as are necessary or desirable and are not contrary to or inconsistent with this General Bond Ordinance as theretofore in effect.

SECTION 9.02. Supplemental Ordinances Effective With Consent of Owners and Providers of Credit Enhancement. Except as provided in Sections 2.04 and 9.01, any modification or amendment of this General Bond Ordinance or of the rights and obligations of the City, the Owners or the provider of any Credit Enhancement hereunder, in any particular, may be made by a supplemental ordinance, with the written consent of the Owners of a majority of the Outstanding principal amount of the Bonds at the time such consent is given and the provider of Credit Enhancement for any affected series of the Bonds. The City shall give a notice thereof to the Paying Agent, the provider of Credit Enhancement for any affected series of the Bonds and any rating agency which is then rating the Bonds, at least fifteen (15) days prior to the adoption thereof, and thereafter shall furnish to said persons a certified copy thereof. No such modification or amendment shall permit a change in the terms of prepayment or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the prepayment price thereof or in the rate of interest thereon without the consent of the Owner of such Bond and the provider of Credit Enhancement for any affected series of the Bonds, or shall reduce the percentages of Bonds the consent of the Owner of which is required to effect any such modification or amendment, or change the obligation of the City to levy and collect User Fees as provided herein, without the consent of the Owners of all of the Bonds then outstanding and the provider of Credit Enhancement for any affected series of the Bonds or shall change or modify any of the rights or obligations of the Paying Agent without its written assent thereto.

ARTICLE X

EVENTS OF DEFAULT; REMEDIES

SECTION 10.01. Events of Default. If one or more of the following events (in this General Bond Ordinance called "Events of Default") shall happen, that is to say:

- (a) default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity or otherwise; or

- (b) default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; or
- (c) default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this General Bond Ordinance, any Series Ordinance or in the Bonds contained and such default shall continue for a period of thirty (30) days after written notice thereof to the City by the Owners of not less than 25% of the Outstanding principal amount of the affected series of the Bonds; or
- (d) the City shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law.

Upon the happening and continuance of any Event of Default the Owners shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

SECTION 10.02. Retention of Consulting Engineer in Case of Certain Defaults. THE PROVISIONS OF THIS SECTION SHALL APPLY ONLY DURING ANY PERIOD WHEN THE CITY MAY BE IN DEFAULT IN MAKING REQUIRED PAYMENTS INTO THE FUNDS REQUIRED BY SECTION 5.01 OR WHEN AN "EVENT OF DEFAULT" HAS OCCURRED UNDER SECTION 10.01.

The City covenants and agrees that in the event it should fail to derive sufficient income from the operation of the System to make the required monthly payments into the funds established by Section 5.01 hereby or when an Event of Default has occurred hereunder, it will retain a professionally qualified engineer or engineering firm to provide continuous advice, consultancy and/or technical assistance with respect to the System until all defaults are cured (the "Consulting Engineer"). Such Consulting Engineer shall be retained under contract at such reasonable compensation as may be fixed by the Governing Authority, and the payment of such compensation shall be considered to be one of the costs of maintaining and operating the System. Any Consulting Engineer appointed under the provisions of this Section may be replaced at any time by another Consulting Engineer appointed or retained by the City, with the consent and approval of the Owners of a majority of the outstanding principal amount of the Bonds herein authorized.

The Consulting Engineer shall prepare within ninety (90) days after the close of each Fiscal Year a comprehensive operating report, which report shall contain therein or be accompanied by a certified copy of an audit of the preceding Fiscal Year prepared by the City's certified public accountants, and in addition thereto, shall report upon the operations of the System during the preceding Fiscal Year, the maintenance of the properties, the efficiency of the management of the System, the proper and adequate keeping of books of record and account, the adherence to budget and budgetary control provisions, the adherence to the provisions of this General Bond Ordinance and all other things having a bearing upon the efficient and profitable operation of the System, and shall include whatever criticism of any phase of the operation of the System the Consulting Engineer may deem proper, and such recommendations as to changes in operations and the making of repairs, renewals, replacements, extensions, betterments and

improvements as the Consulting Engineer may deem proper. Copies of such report shall be placed on file with the Governing Authority and sent to the Owners, and shall be open to inspection by any Owners of any of the Bonds. It shall be the duty of the Consulting Engineer to pass on the economic soundness or feasibility of any extensions, betterments, improvements, expenditures or purchases of equipment and materials or supplies, which will involve the expenditure of more than Five Thousand Dollars (\$5,000), whether in one or more than one order, and whether authorized by a budget or not, from funds on deposit in the Contingencies Fund, and the Consulting Engineer shall devise and prescribe a form or forms wherein shall be set forth his or its approval in certificate form, copies of which shall be filed with the chief financial officer of the City.

Sixty (60) days before the close of each Fiscal Year, the Consulting Engineer shall submit to the Governing Authority a suggested budget for the ensuing year's operation of the System and shall submit recommendations as to the schedule of rates and charges for services supplied by the System, taking into account any other lawfully available funds of the City that may be available for such purposes. A copy of said suggested budget and recommendations shall also be furnished by said Consulting Engineer directly to the Owners. Such recommendations as to rates and charges, consistent with the requirements relating thereto contained herein, shall be followed by the Governing Authority insofar as practicable and all other recommendations shall be given careful consideration by the Governing Authority and shall be substantially followed, except for good and reasonable cause. No expenditures for the operation, maintenance and repair of the System in excess of the amounts stated in said budget shall be made in any year, except upon the certificate of the Consulting Engineer that such expenditures are necessary and essential to the continued operation of the System.

It shall be the duty of the Consulting Engineer to prescribe a system of budgetary control along with forms for exercising of such control which shall be utilized by the manager or superintendent of the System and his staff, and the manager or superintendent shall cause to be prepared monthly reports not later than the twentieth day of each month, for the preceding month's business and operation of the System, which reports shall be submitted to the Consulting Engineer, who shall prepare an analysis of each such report, which analysis shall be filed monthly as expeditiously as possible with the chief financial officer of the City, the manager or superintendent and with the original purchaser of the Bonds.

In the event the Governing Authority shall fail to select and retain a Consulting Engineer in accordance with the first paragraph of this Section within thirty (30) days after the occurrence of the conditions prescribed thereby, then upon the petition of the Owners of twenty-five percent (25%) of the aggregate principal amount of the Bonds then outstanding (including the Outstanding Parity Bonds), the Governing Authority shall select and retain such Consulting Engineer as is named in the petition of said Owners.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Defeasance. (a) If the City shall pay or cause to be paid to the Owners of all Bonds then outstanding, the principal and interest and prepayment premium, if any, to

become due thereon, at the times and in the manner stipulated therein and in this General Bond Ordinance, then the covenants, agreements and other obligations of the City to the Owners of such Bonds shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request of the City, execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the City all moneys, securities and funds held by them pursuant to this General Bond Ordinance which are not required for the payment or prepayment of Bonds not theretofore surrendered for such payment or prepayment.

(b) Bonds or interest installments for the payment of which money shall have been set aside and shall be held in trust (through deposit by the City of funds for such payment or otherwise) at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section if they have been defeased using Defeasance Obligations pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto. In addition to the foregoing, in connection with any defeasance the City shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant (the "Accountant") verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or redemption date (the "Verification"), (ii) an Escrow Deposit Agreement, and (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer Outstanding under this General Bond Ordinance. Each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the City, the Paying Agent for the affected Bonds and the provider of Credit Enhancement for the affected Bonds. The provider of Credit Enhancement for any affected Bonds shall be provided with final drafts of the above referenced documentation not less than five business days prior to the funding of the escrow.

SECTION 11.02. Parties Interested Herein. Nothing in this General Bond Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the City, the Paying Agent, the Owners and the providers of any Credit Enhancement any right, remedy or claim under or by reason of this General Bond Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this General Bond Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Paying Agent, the Owners and the providers of any Credit Enhancement.

SECTION 11.03. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this General Bond Ordinance against any member of the Governing Authority or officer of the City or any person executing the Bonds.

SECTION 11.04. Successors and Assigns. Whenever in this General Bond Ordinance the City is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this General Bond Ordinance contained by or on behalf of the City shall bind and enure to the benefit of its successors and assigns whether so expressed or not.

SECTION 11.05. Severability. In case any one or more of the provisions of this General Bond Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or

invalid, such illegality or invalidity shall not affect any other provision of this General Bond Ordinance or of the Bonds, but this General Bond Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this General Bond Ordinance which validates or makes legal any provision of this General Bond Ordinance or the Bonds which would not otherwise be valid or legal shall be deemed to apply to this General Bond Ordinance and to the Bonds.

SECTION 11.06. Publication of Ordinance. As provided by Section 2.11(D) of the City's Home Rule Charter, this General Bond Ordinance shall be published one (1) time in the official journal of the City after it is approved by the Mayor.

SECTION 11.07. Effective Date. This General Bond Ordinance shall become effective immediately upon its adoption.

THIS ORDINANCE was introduced on January 12, 2015 and published in the *Natchitoches Times* on _____, 2015.

The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

AYES:

NAYS:

ABSENT:

ABSTAIN:

THEREUPON, Mayor Lee Posey declared the Ordinance passed by a vote of ____ Ayes to ____ Nays this ____ day of _____, 2015.

/s/ Lee Posey
LEE POSEY, MAYOR

/s/ Don Mims
DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the ____ day of _____, 2015 at ____:____.M.

STATE OF LOUISIANA

CITY OF NATCHITOCHES

I, the undersigned Clerk of the Natchitoches City Council do hereby certify that the foregoing _____ () pages constitute a true and correct copy of a General Bond Ordinance adopted by said City Council on _____, 2015, authorizing the issuance from time to time of Utilities Revenue Bonds of City of Natchitoches, State of Louisiana; prescribing the form, and certain terms and conditions of said bonds; establishing funds and accounts relating to said bonds; providing for the payment thereof in principal and interest including a rate covenant relating thereto; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this, the _____ day of _____, 2015.

(SEAL)

Clerk of the Council

The following Ordinance was introduced by Mr. Mims at the Natchitoches City Council meeting held on January 12th, 2015 as follows:

**ORDINANCE NO 002 OF 2015
FIRST SUPPLEMENTAL BOND ORDINANCE**

A SUPPLEMENTAL BOND ORDINANCE AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF NOT EXCEEDING \$2,000,000 OF TAXABLE UTILITIES REVENUE BONDS, SERIES 2015, OF THE CITY OF NATCHITOCHES, STATE OF LOUISIANA, IN ACCORDANCE WITH THE TERMS OF GENERAL BOND ORDINANCE NO. 001 OF 2015; PRESCRIBING THE FORM, AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City of Natchitoches, State of Louisiana (the "City") now owns and operates a combined waterworks plant and system, electric power and light plant and system and sewer utility system (the "System") as a combined revenue-producing work of public improvement; and,

WHEREAS, the City currently has outstanding the following described bonds payable from a pledge and dedication of the income and revenues of the System:

\$874,000 Utilities Revenue Bonds, Series 2009A, maturing on December 1 of the years 2015 through 2030, inclusive, bearing interest at a rate of 3.45% (inclusive of a 0.50% DHH Administrative Fee) and issued pursuant to Ordinance No. 44 of 2009 adopted by this governing authority on August 10, 2009;

\$2,613,000 Utilities Revenue Bonds, Series 2009B, maturing on December 1 of the years 2015 through 2030, inclusive, bearing interest at a rate of 3.45% (inclusive of a 0.50% DHH Administrative Fee) and issued pursuant to Ordinance No. 44 of 2009 adopted by this governing authority on August 10, 2009; and

\$1,030,000 of Utilities Revenue Refunding Bonds, Series 2013, maturing on December 1 of the years 2015 through 2022, inclusive, bearing interest at a rate of 2.15% and issued pursuant to Ordinance No. 30 of 2013 adopted by this governing authority on July 8, 2013;

the aforesaid issues being collectively referred to herein as the "Outstanding Parity Bonds"; and

WHEREAS, on this date, this Governing Authority adopted General Bond Ordinance No. 001 of 2015 entitled: "A General Bond Ordinance authorizing the issuance from time to time of Utilities Revenue Bonds of the City of Natchitoches, State of Louisiana; prescribing the form, and certain terms and conditions of said Bonds; establishing funds and accounts relating to said Bonds; providing for the payment thereof in principal and interest including a rate covenant relating thereto; and providing for other matters in connection therewith" (the "General Bond

* The Clerk of the Council is authorized to insert the assigned ordinance number of the General Bond Ordinance in the title of this ordinance and whenever said General Bond Ordinance is referred to herein.

Ordinance"), which authorizes the issuance of utilities revenue bonds from time to time for the purposes described therein; and

WHEREAS, it is now the desire of this Governing Authority to authorize the issuance of not exceeding \$2,000,000 of Taxable Utilities Revenue Bonds, Series 2015 of the City (the "Bonds"), in one or more series, for paying costs of the Project as defined herein and paying costs of issuance; and

WHEREAS, in accordance with the requirements of Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*), and a Notice of Intention issued on November 24, 2014, this governing authority held a public hearing on January 12, 2015, at which public hearing no one presented or had filed any petition or written objections pertaining to the issuance of the Bonds;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Natchitoches, State of Louisiana, acting as governing authority of the City of Natchitoches, State of Louisiana, that:

SECTION 1. Definitions. In addition to words and terms elsewhere defined in the General Bond Ordinance and this First Supplemental Bond Ordinance, the following words and terms as used in this First Supplemental Bond Ordinance shall have the following meanings, unless some other meaning is plainly intended:

"Administrative Fee" means, with respect to the Bonds and any other Bonds purchased by the Department from the State Loan Fund, the annual fee equal to one-half of one percent (0.5%) per annum of the outstanding principal amount of such bonds, or such lesser amount as the Department may approve from time to time, which shall be payable each year in two equal semi-annual installments on each Interest Payment Date.

"Bonds" means the Taxable Utilities Revenue Bonds, Series 2015 authorized to be issued pursuant to this First Supplemental Ordinance and particularly by Section 2 hereof.

"Department" means the Louisiana Department of Health and Hospitals, an executive department and agency of the State, and any successor to the duties and functions thereof with respect to the Louisiana Drinking Water Revolving Loan Fund.

"First Supplemental Ordinance" means this supplemental ordinance authorizing the issuance of the Bonds pursuant to the General Bond Ordinance.

"General Bond Ordinance" means General Bond Ordinance No. 001 of 2015, as described in the preambles hereof.

"Loan Agreement" means the Loan and Pledge Agreement to be entered into by and between the Department and the City, prior to the delivery of the Bonds, which will contain certain additional agreements relating to the Bonds and any other series of Bonds purchased by the Department, which Loan Agreement shall be in substantially the form on file with the Clerk of Council and filed with the minutes of this meeting, as it may be supplemented, modified or amended from time to time in accordance with the terms thereof.

"Paying Agent" with respect to the Bonds means the Director of Finance of the City, unless and until a successor Paying Agent shall have assumed such responsibilities pursuant to the General Bond Ordinance.

"Project" means the acquisition and construction of improvements to the drinking water portion of the System consisting of the construction of a decant clarifier, pump station with wet well, gravity and pressure mains, chemical feed equipment, electrical improvements, and other related items (including permitting), which are proposed at the City's existing water treatment facility and are necessary to properly handle, treat, and dispose of the filter backwash effluent from the water treatment facility into Chaplin's Lake within the required permit levels allowed by the US Army Corps of Engineers and the Louisiana Department of Environmental Quality, or any amendments or changes to the foregoing that may be approved by the Mayor and the Department.

"State Loan Fund" means the Drinking Water Revolving Loan Fund established by the State of Louisiana pursuant to Chapter 32 of Title 40 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 40:2821, *et seq.*) in the custody of the Department, which is to be used for the purpose of providing financial assistance for the improvement of public drinking water systems in the State, as more fully described in La. R.S. 40:2825(A)(2).

SECTION 2. Authorization of 2015 Bonds. (a) In compliance with and under the authority of the Act, there is hereby authorized the incurring of an indebtedness of not exceeding Two Million Dollars (\$2,000,000) for, on behalf of and in the name of the City, for the purpose of paying costs of the Project and paying costs of issuance, and to represent the indebtedness, this Governing Authority does hereby authorize the issuance of not exceeding Two Million Dollars (\$2,000,000) of Taxable Utilities Revenue Bonds, Series 2015, of the City. The Mayor may approve a different series designation if the Bonds are delivered after the end of 2015 or if it is in his sole judgment preferable to do so. The Bonds shall be dated the Delivery Date thereof, and the exact principal amount of the Bonds, not to exceed \$2,000,000 as stated above, shall be determined by the Mayor at the time of delivery of the Bonds.

(b) The Bonds shall be Fixed Rate Bonds and the Interest Payment Dates shall be June 1 and December 1 of each year, commencing June 1, 2015. The Bonds shall bear interest at the rate of two and ninety-five hundredths percent (2.95%) per annum, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months and payable on each Interest Payment Date, or such lower rate as may be in effect for loans from the State Loan Fund or offered by the Department to the City at the time of delivery. In addition to interest at the rate set forth above, at any time that the Department owns the Bonds the City will pay the Administrative Fee to the Department on each Interest Payment Date. In the event (i) the Department owns any Bonds or the Department has pledged or assigned any Bonds in connection with the State Loan Fund and (ii) the Administrative Fee payable by the City to the Department under the terms of the Loan Agreement is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, the interest rate borne by the Bonds shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

(c) The Bonds shall mature in twenty (20) installments of principal, payable annually on December 1 of each year principal falls due, beginning December 1, 2016 and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest \$1,000, of the outstanding principal amount of the Bonds as of the day before the Principal Payment Date:

| <u>Date</u> <u>(December 1)</u> | <u>Percentage</u> <u>of Principal</u> | <u>Date</u> <u>(December 1)</u> | <u>Percentage</u> <u>of Principal</u> |
|------------------------------------|--|------------------------------------|--|
| 2016 | 3.554% | 2026 | 8.544% |
| 2017 | 3.812 | 2027 | 9.664 |
| 2018 | 4.100 | 2028 | 11.067 |
| 2019 | 4.423 | 2029 | 12.874 |
| 2020 | 4.787 | 2030 | 15.286 |
| 2021 | 5.202 | 2031 | 18.667 |
| 2022 | 5.676 | 2032 | 23.743 |
| 2023 | 6.226 | 2033 | 32.209 |
| 2024 | 6.868 | 2034 | 49.152 |
| 2025 | 7.629 | 2035 | 100.000 |

In the event that the Completion Date of the Project being financed with the Bonds is after December 1, 2016, the principal payment schedule set forth above may be adjusted so that each payment shall be due on the December 1 that is one year later than shown above, provided that in no event shall the final principal payment be more than twenty-two (22) years from the Delivery Date of the Bonds.

(d) The principal and interest on the Bonds shall be payable by check mailed to the registered owner of the Bonds (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent for such purpose, provided that payment of the final installment of principal on the Bonds shall be made only upon presentation and surrender of the Bonds to the Paying Agent.

(e) The principal installments of the Bonds are subject to prepayment at the option of the City at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date and in such case the remaining principal of the Bonds shall continue to mature in installments calculated using the percentages shown in Section 2(c) above.

(f) The Bonds shall be issued in the form of a single fully registered bond, initially numbered R-1 and shall be in substantially the form attached hereto as Exhibit A.

(g) The Director of Finance of the City shall be the initial Paying Agent for the Bonds.

(h) The Bonds are awarded to and sold to the Department at a price of par plus accrued interest, if any, under the terms and conditions set forth in the Loan Agreement, and after their execution the Bonds shall be delivered to the Department or its agents or assigns, upon receipt by the City of the agreed first advance of the purchase price of the Bonds. Pursuant to

R.S. 39:1426(B), the City has determined to sell the Bonds at a private sale without necessity of publication of a notice of sale. It is understood that the purchase price of the Bonds will be paid by the Department to the City in installments, in the manner and under the terms and conditions set forth in the Loan Agreement.

(i) The "Reserve Fund Requirement" for the Bonds shall mean one-half of the highest amount of principal, interest and Administrative Fee on the Bonds due in any future Bond Year (taking into consideration any principal forgiveness given by the Department), which shall be deposited by the City in an account in the Reserve Fund to be designated the "Series 2015 Account," and maintained in the Reserve Fund solely to secure the Bonds. The Series 2015 Account in the Reserve Fund shall be established on the Delivery Date and fully funded on the Delivery Date to the amount of \$49,283, being one-half of the highest principal, interest and Administrative Fee due on the Bonds in any future Bond year (taking into account anticipated principal forgiveness). No changes are made with respect to the required balance in the Contingencies Fund.

(j) No proceeds of the Bonds will be used to refund any outstanding obligations.

(k) The parity requirements of the Outstanding Parity Bond Ordinances are being complied with in connection with the issuance of the Bonds, and a parity certification in substantially the form attached hereto as Exhibit B will be delivered at the time of delivery of the Bonds.

(l) After having investigated the regularity of the proceedings had in connection with the issuance of the Bonds, this Governing Authority hereby determines that the same have been in all respects regular, therefore the Bonds shall contain the following recital, to-wit:

"It is certified that this bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State."

(m) The Executive Officers are each hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of the General Bond Ordinance and this First Supplemental Ordinance, to execute and deliver the Loan Agreement, and to cause the Bonds to be prepared and/or printed, to issue, execute and seal the Bonds and to effect delivery thereof as hereinafter provided. In connection with the issuance and sale of the Bonds, the Executive Officers and the chief financial officer of the City are each authorized, empowered and directed to execute on behalf of the City such additional documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, to effect the transactions contemplated by this Ordinance, including a Commitment Agreement. The signatures of said officers on such documents, certificates and instruments shall be conclusive evidence of the due exercise of the authority granted hereunder.

(n) The Bonds are not being designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

(o) The Bonds are not being designated as "Build America Bonds" or any similar type of tax-advantaged bonds requiring a designation at this time.

(p) It is recognized that the City will not be required to comply with the continuing disclosure requirements described in the Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)] because the Bonds are being purchased solely by the Department.

(q) Inasmuch as the Bonds are not being issued as tax-exempt or tax-advantaged bonds, no post-issuance tax compliance procedures are needed.

(r) Application to the State Bond Commission has previously been authorized.

(s) There will be no Credit Enhancement arrangements with respect to the Bonds.

(t) The Loan Agreement, in substantially the form on file with the Clerk of the Council and filed with the minutes of this meeting, is hereby approved, and the Executive Officers are authorized to execute and deliver the aforesaid document on behalf of the City, with such changes as may be deemed necessary, upon the advice of counsel, in connection with the Bonds.

SECTION 3. Davis-Bacon Wage Rate Requirements. The City agrees that all laborers and mechanics employed by contractors and subcontractors on the portion of the Project that is funded in whole or in part with proceeds of the Bonds shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality of the City as determined by the Secretary of the United States Department of Labor ("DOL") in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code, and as further described in Section 6.04 of the Loan Agreement.

SECTION 4. Use of American Iron and Steel Products. In order to comply with Title IV, Division G of the Consolidated Appropriations Act, 2014 (P.L. 113-76) the City agrees that all of the iron and steel, products used in the portion of the Project that is funded in whole or in part with the Bonds shall be produced in the United States, subject to the conditions set forth in Section 6.05 of the Loan Agreement.

SECTION 5. Parties Interested Herein. Nothing in this First Supplemental Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the City, the Paying Agent and the Owners of the Bonds any right, remedy or claim under or by reason of this First Supplemental Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this First Supplemental Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Paying Agent and the Owners of the Bonds.

SECTION 6. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this First Supplemental Ordinance against any member of the Governing Authority or officer of the City or any person executing the Bonds.

SECTION 7. Successors and Assigns. Whenever in this First Supplemental Ordinance the City is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this First Supplemental Ordinance contained by or on behalf of

the City shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

SECTION 8. Severability. In case any one or more of the provisions of this First Supplemental Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this First Supplemental Ordinance or of the Bonds, but this First Supplemental Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this First Supplemental Ordinance which validates or makes legal any provision of this First Supplemental Ordinance or the Bonds which would not otherwise be valid or legal shall be deemed to apply to this First Supplemental Ordinance and to the Bonds.

SECTION 9. Publication; Peremption. This First Supplemental Ordinance shall be published one time in the official journal of the City, or if there is none, in a newspaper having general circulation in the City. It shall not be necessary to publish the exhibits to this First Supplemental Ordinance but such exhibits shall be made available for public inspection at the offices of the Governing Authority at reasonable times and such fact must be stated in the publication within the official journal. For a period of thirty days after the date of such publication any persons in interest may contest the legality of this First Supplemental Ordinance and any provisions herein made for the security and payment of the Bonds. After such thirty day period no one shall have any cause or right of action to contest the regularity, formality, legality, or effectiveness of this First Supplemental Ordinance and the provisions hereof or of the Bonds authorized hereby for any cause whatsoever. If no suit, action, or proceeding is begun contesting the validity of the Bonds authorized pursuant to this First Supplemental Ordinance within the thirty days herein prescribed, the authority to issue the Bonds or to provide for the payment thereof, and the legality thereof, and all of the provisions of this First Supplemental Ordinance and such Bonds shall be conclusively presumed, and no court shall have authority or jurisdiction to inquire into any such matter.

SECTION 10. Effective Date. This First Supplemental Bond Ordinance shall become effective immediately upon its adoption.

THIS ORDINANCE was introduced on January 12, 2015 and published in the *Natchitoches Times* on _____, 2015.

The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

AYES:
NAYS:
ABSENT:
ABSTAIN:

THEREUPON, Mayor Lee Posey declared the Ordinance passed by a vote of ____ Ayes to ____ Nays this ____ day of _____, 2015.

/s/ Lee Posey
LEE POSEY, MAYOR

/s/ Don Mims
DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the ____ day of _____, 2015 at ____:____.M.

EXHIBIT A
to First Supplemental Bond Ordinance

FORM OF BOND

INTEREST ON THIS BOND WILL BE INCLUDED IN GROSS INCOME
FOR FEDERAL INCOME TAX PURPOSES AND IS NOT
EXEMPT FROM FEDERAL INCOME TAXATION.

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF NATCHITOCHES

TAXABLE UTILITIES REVENUE BOND, SERIES 2015
OF THE
CITY OF NATCHITOCHES, STATE OF LOUISIANA

| <u>Bond Number</u> | <u>Bond Date</u> | <u>Interest Rate</u> | <u>Principal Amount</u> |
|------------------------|----------------------|--------------------------|-----------------------------|
| R-1 | _____, 2015 | 2.95% | \$2,000,000 |

FOR VALUE RECEIVED, the City of Natchitoches, State of Louisiana (the "City"), hereby promises to pay (but only from the sources hereinafter described) to:

REGISTERED OWNER: Department of Health & Hospitals
 Office of Management & Finance
 ATTN: Cash Management
 P. O. Box 61979
 New Orleans, LA 70161-1979

or registered assigns noted on the registration record attached hereto, the Principal Amount set forth above (unless a lower Principal Amount applies, as set forth below), together with interest thereon from the Bond Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for, unless this Bond shall have been previously called for prepayment and payment shall have been duly made or provided for.

This Bond shall bear interest, payable semi-annually on June 1 and December 1 of each year, commencing June 1, 2015 (each, an "Interest Payment Date"), at the Interest Rate shown above, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on this Bond on any Interest Payment Date shall be payable only on the aggregate outstanding amount of the purchase price which shall have been paid theretofore, as noted on Schedule A hereto, and shall accrue with respect to each purchase price installment only from the date of payment of such installment.

If the Department is the registered owner of this Bond, the City will additionally pay an Administrative Fee to the Department at the annual rate of one-half of one percent (0.50%) on the outstanding principal amount of the Bond, payable on each Interest Payment Date. In the event (i) the Department owns this Bond or the Department has pledged or assigned this Bond in connection with its Drinking Water Revolving Loan Fund Program and (ii) the Administrative Fee payable to the Department is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, then the "Annual Interest Rate" shown in the foregoing table and borne by this Bond shall be increased by one-half of one percent (0.5%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

This Bond shall mature in twenty (20) installments of principal, payable annually on each December 1, and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest One Thousand Dollars (\$1,000), of the outstanding principal amount of this Bond on the day before the applicable Principal Payment Date:

| <u>Date</u> <u>(December 1)</u> | <u>Percentage</u> <u>of Principal</u> | <u>Date</u> <u>(December 1)</u> | <u>Percentage</u> <u>of Principal</u> |
|------------------------------------|--|------------------------------------|--|
| 2016 | 3.554% | 2026 | 8.544% |
| 2017 | 3.812 | 2027 | 9.664 |
| 2018 | 4.100 | 2028 | 11.067 |
| 2019 | 4.423 | 2029 | 12.874 |
| 2020 | 4.787 | 2030 | 15.286 |
| 2021 | 5.202 | 2031 | 18.667 |
| 2022 | 5.676 | 2032 | 23.743 |
| 2023 | 6.226 | 2033 | 32.209 |
| 2024 | 6.868 | 2034 | 49.152 |
| 2025 | 7.629 | 2035 | 100.000 |

In the event that the Completion Date of the Project being financed with this Bond is after December 1, 2016, the principal payment schedule set forth above may be adjusted so that each payment shall be due on the December 1 that is one year later than shown above, provided that in no event shall the final principal payment be more than twenty-two (22) years from the Bond Date set forth above.

The principal and interest on this Bond shall be payable by check mailed to the registered owner of this Bond (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent (hereinafter defined) for such purpose, provided that payment of the final installment of principal on this Bond shall be made only upon presentation and surrender of this Bond to the Paying Agent.

The principal installments of this Bond are subject to prepayment at the option of the City at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date. In such case, the remaining principal shall continue to mature in annual installments calculated using the percentages shown above.

In the event a portion of this Bond is to be prepaid, this Bond shall be surrendered to the Director of Finance of the City, as initial Paying Agent for the Bonds (the "Paying Agent"), who shall note the amount of such prepayment in the space provided therefor on the schedule attached to this Bond. Official notice of such call of this Bond for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the United States Mail not less than thirty (30) days prior to the prepayment date addressed to the registered owner of this Bond to be prepaid at his address as shown on the registration books of the Paying Agent, which notice may be waived by any registered owner. The City shall cause to be kept at the office of the Paying Agent a register in which registration of this Bond and of transfer of this Bond shall be made as provided herein and in the Bond Ordinance (hereinafter defined). This Bond may be transferred, registered and assigned only on such registration records of the Paying Agent, and such registration shall be at the expense of the City.

This Bond represents the entire issue of bonds of the City designated "Taxable Utilities Revenue Bond, Series 2015" aggregating in principal the sum of Two Million Dollars (\$2,000,000) (the "Bonds"), having been issued by the City pursuant General Bond Ordinance No. 001 of 2015 and First Supplemental Bond Ordinance No. 002 of 2015, both adopted by its governing authority on _____, 2015 (collectively, the "Bond Ordinance"), for the purpose of financing the acquisition and construction of additions, extensions and improvements to the drinking water portion of the City's combined waterworks plant and system, electric power and light plant and system and sewer utility system (the "System"), and for paying costs of issuance, under the authority conferred by Chapter XIII, Part 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*), and other constitutional and statutory authority supplemental thereto, pursuant to all requirements therein specified.

This Bond, equally with the City's outstanding Utilities Revenue Bonds, Series 2009A, Utilities Revenue Bonds, Series 2009B, and Utilities Revenue Refunding Bonds, Series 2013 (collectively, the "Outstanding Parity Bonds"), is secured by and payable as to principal and interest solely from the income and revenues derived or to be derived from the operation of the System, after provision has been made for payment therefrom of the reasonable and necessary expenses of operating and maintaining the System. Neither this Bond nor the debt it represents constitutes an indebtedness or pledge of the general credit of the City, within the meaning of any constitutional or statutory limitation of indebtedness.

The City has obligated itself pursuant to the ordinances adopted in connection with the issuance of the Outstanding Parity Bonds (the "Outstanding Parity Bond Ordinances") and the Bond Ordinance and by this Bond declares that all of the income and revenues to be derived from the operation of the System shall be deposited promptly as the same may be collected in a separate and special bank account known and designated as the "Utility System Fund." For a complete statement of the manner in which said fund shall be maintained and administered, the provisions for payment of the Outstanding Parity Bonds and this Bond and the general covenants and provisions pursuant governing the issuance of the Outstanding Parity Bonds and this Bond, reference is hereby made to the Outstanding Parity Bond Ordinances and the Bond Ordinance. The City has duly covenanted and obligated itself pursuant to the Outstanding Parity Bond Ordinances and the Bond Ordinance and by this Bond declares that it will fix and maintain rates and collect charges for all services and facilities to be rendered by the System sufficient to provide for the payment of the reasonable and necessary expenses of operating and maintaining the System, to provide for the payment of principal and interest falling due on the Outstanding Parity Bonds and this Bond and all other obligations or indebtedness payable out of the revenues of the System, to provide a reserve for the payment of principal and interest on the Outstanding Parity Bonds and this Bond and to provide a reasonable depreciation and contingency fund to care for depreciation, extensions, additions, improvements and replacements necessary to properly operate the System.

For a more complete statement of the revenues from which and conditions under which this Bond is payable, and the general covenants and provisions pursuant to which this Bond is issued, and the conditions under which additional bonds may be issued on a parity with this Bond and the Outstanding Parity Bonds, reference is hereby made to the Bond Ordinance.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond necessary to constitute the same a legal, binding and valid obligation of the City have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the City, including this Bond, does not exceed any limitation prescribed by the Constitution and statutes of the State of Louisiana, and that this Bond shall not be invalid for any irregularity or defect in the proceedings for the issuance and sale thereof.

IN WITNESS WHEREOF, the City Council of the City of Natchitoches, State of Louisiana, acting as the governing authority of the City, has caused this Bond to be signed by the Mayor and attested by its Clerk of the Council, the corporate seal of the City to be hereon impressed and this Bond to be dated as of the Dated Date set forth above.

CITY OF NATCHITOCHES, STATE OF LOUISIANA

ATTEST: By: (manual) Mayor
By: (manual) Clerk of the Council (SEAL)

* * * * *

| REGISTRATION RECORD | | |
|--|-------------------------|---|
| TAXABLE UTILITIES REVENUE BOND, SERIES 2015 OF THE CITY OF NATCHITOCHES, STATE OF LOUISIANA | | |
| Name and Address Of Registered Owner | Date of Registration | Signature of Director of Finance, As Paying Agent |
| Department of Health & Hospitals Office of Management & Finance ATTN: Cash Management P. O. Box 61979 New Orleans, LA 70161-1979 | | |
| | | |
| | | |

| <p>SCHEDULE OF PREPAYMENTS</p> <p>TAXABLE UTILITIES REVENUE BOND, SERIES 2015</p> <p>OF THE</p> <p>CITY OF NATCHITOCHES, STATE OF LOUISIANA</p> | | |
|---|----------------------|--------------------------|
| Prepayment Date | Prepayment Amount | Remaining Balance Due |
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SCHEDULE A
SCHEDULE OF PRINCIPAL DRAWS AND PRINCIPAL BALANCE
TAXABLE UTILITIES REVENUE BOND, SERIES 2015
OF THE
CITY OF NATCHITOCHEs, STATE OF LOUISIANA

Date: _____ Draw Number: _____

Principal Draw Paid to City this Date: \$ _____

Amount of Principal Forgiveness this Date: \$ _____

Cumulative Amount of Principal Draws Paid to Date: \$ _____

Cumulative Amount of Principal Forgiveness to Date: \$ _____

Outstanding Balance of Principal \$ _____

Signature of Authorized Officer of Department: _____

Date: _____ Draw Number: _____

Principal Draw Paid to City this Date: \$ _____

Amount of Principal Forgiveness this Date: \$ _____

Cumulative Amount of Principal Draws Paid to Date: \$ _____

Cumulative Amount of Principal Forgiveness to Date: \$ _____

Outstanding Balance of Principal \$ _____

Signature of Authorized Officer of Department: _____

Date: _____ Draw Number: _____

Principal Draw Paid to City this Date: \$ _____

Amount of Principal Forgiveness this Date: \$ _____

Cumulative Amount of Principal Draws Paid to Date: \$ _____

Cumulative Amount of Principal Forgiveness to Date: \$ _____

Outstanding Balance of Principal \$ _____

Signature of Authorized Officer of Department: _____

[ADDITIONAL DRAWDOWN PAGES TO BE ADDED AS NECESSARY]

EXHIBIT B
to First Supplemental Bond Ordinance

FORM PARITY CERTIFICATION

\$2,000,000
TAXABLE UTILITIES REVENUE BOND, SERIES 2015
OF THE
CITY OF NATCHITOCHEs, STATE OF LOUISIANA

Pursuant to (i) Section 5.01 of Ordinance No. 44 of 2009 and (ii) Section 703 of Ordinance No. 30 of 2013, both previously adopted by the City Council of the City of Natchitoches, State of Louisiana (the "City"), the undersigned independent certified public accountant and Director of Finance of the City do hereby certify as follows in connection with the issuance and delivery of the above-captioned issue (the "Bonds"):

1. Capitalized terms used in this certification shall have the meanings assigned thereto in the aforesaid Ordinance No. 44 of 2009 and Ordinance No. 30 of 2013, which authorize the issuance of the City's outstanding Utilities Revenue Bonds, Series 2009A, Utilities Revenue Bonds, Series 2009B, and Utilities Revenue Refunding Bonds, Series 2013 (the "Outstanding Parity Bonds").

2. The undersigned independent certified public accountant or firm of certified public accountants has reviewed the financial statements of the City for the fiscal year ended May 31, 2014.

3. The average Net Revenues of the System for the three completed Fiscal Years immediately preceding the year in which the Bonds are to be issued (i.e. the fiscal years ending May 31, 2012, 2013 and 2014) are equal to at least 1.3 times the highest combined principal and interest requirements for any succeeding Fiscal year period on the Outstanding Parity Bonds and the proposed Bonds, as demonstrated by the following calculation made by the undersigned certified public accountants.

| | |
|--|--------------|
| Net Revenues for FY2012 | \$ _____ |
| Net Revenues for FY2013 | \$ _____ |
| Net Revenues for FY2014 | \$ _____ |
| Average Net Revenues | \$ _____ |
| | |
| Highest estimated combined FY debt service requirement on the Outstanding Parity Bonds and the Bonds(in FY ending May 31, 2017)* | \$578,514.50 |
| | |
| Coverage Ratio | _____ |

* Assuming for purposes of this calculation that the City draws down the full \$2,000,000 of principal of the Bonds, and that the Bonds receive 30% principal forgiveness from the Drinking Water State Revolving Fund.

4. There are no delinquencies in the payments required to be made into the various funds provided for in the ordinances authorizing the Outstanding Parity Bonds.

5. As of this date, there is sufficient money in the Reserve Fund (\$_____) to pay all principal and interest on the Outstanding Parity Bonds becoming due during the twelve (12) months period next succeeding the issuance of the Bonds (i.e. the sum of \$485,006.50).

IN FAITH WHEREOF, witness our official signatures as of this, the _____ day of _____, 2015

CITY OF NATCHITOCHES,
STATE OF LOUISIANA

By: _____ (manual)
Director of Finance

NAME OF CPA/FIRM:

By: _____ (manual)
Certified Public Accountant

STATE OF LOUISIANA

CITY OF NATCHITOCHES

I, the undersigned Clerk of the Natchitoches City Council do hereby certify that the foregoing _____ () pages constitute a true and correct copy of a First Supplemental Bond Ordinance adopted by said City Council on _____, 2015, authorizing the issuance in one or more series of not exceeding \$2,000,000 of Taxable Utilities Revenue Bonds, Series 2015, of the City of Natchitoches, State of Louisiana, in accordance with the terms of a General Bond Ordinance; prescribing the form, and certain terms and conditions of said Bonds; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this, the _____ day of _____, 2015.

(SEAL)

Clerk of the Council

The following Ordinance was introduced by Mr. Payne at the Natchitoches City Council meeting held on January 12th, 2015 as follows:

ORDINANCE NUMBER 003 OF 2015

AN ORDINANCE TO AMEND CHAPTER 26 OF THE CODE OF ORDINANCES, ENTITLED POLICE, IN ORDER TO ADOPT ARTICLE I WHICH WILL PROVIDE FOR THE IMPLEMENTATION OF A PROGRAM TO ALLOW A POLICE OFFICER TO ACQUIRE HIS SERVICE FIREARM UPON RETIREMENT, SPECIFICALLY ADOPTING SECTIONS 26-1 THROUGH 26-3, PROVIDING FOR ADVERTISING, FURTHER PROVIDING FOR SEVERABILITY, AND FURTHER PROVIDING FOR A REPEALER AND EFFECTIVE DATE OF ORDINANCE.

WHEREAS, the State of Louisiana has recently amended Louisiana Revised Statute 33:4712 (G) which provides as follows, to-wit:

“Notwithstanding any provisions of this Section to the contrary, a municipal police officer who retires with at least twenty years of active service and who is in good standing with the Municipal Police Employees’ Retirement System shall be entitled to purchase his firearm at fair market value upon retirement, subject to approval by the chief of police and the local governing authority.”

WHEREAS FURTHER, the Chief of Police has recommended to the City Council that a procedure be implemented to allow retiring police officers to purchase their service weapon in accordance with Louisiana Revised Statute 33:4712(G); and

WHEREAS FURTHER, the City Council of the City of Natchitoches accepts the recommendation of the Chief of Police and desires to amend Chapter 26 of the Code of Ordinances of the City of Natchitoches, entitled “Police” to include provisions that will provide for a retiring police officer in good standing with the Municipal Police Employees’ Retirement System to purchase his service weapon or firearm for fair market value; and

WHEREAS FURTHER, the City Council of the City of Natchitoches has reviewed the proposed amendment to Chapter 26 and agrees that the adoption is advisable and in the best interest of the City of Natchitoches and its citizens; and

WHEREAS FURTHER, the City Council of the City of Natchitoches, Louisiana, desires to amend and reenact Chapter 26 of the Code of Ordinances of the City of Natchitoches, Louisiana, to add Article I which will provide for a retiring police officer in good standing with the Municipal Police Employees' Retirement System to purchase his service weapon or firearm for fair market value; and

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Natchitoches, Louisiana, as follows:

SECTION 1. Chapter 26 of the Code of Article, entitled "Police" is hereby amended to add Article I, which shall read as follows:

"Article I. Purchase of firearm by retiring police officer.

Section 26-1. Purpose.

The purpose of this article is provide for guidelines and a procedure whereby a police officer retiring from the City of Natchitoches Police Department may acquire ownership of his service weapon in accordance with Louisiana R. S. 33:4712(G).

Section 26-2. Requirements for purchase of firearm.

In order to be qualified to purchase his or her service weapon, a police officer must:

- (1) Retire from the City of Natchitoches Police Department after Twenty-Five (25) years active service with the Department; and
- (2) Be in good standing with the Municipal Police Employees' Retirement System, or its successor.

Section 26-3. Procedure.

A retiring police officer meeting the requirements of Section 26-2, may purchase his service weapon from the City of Natchitoches for a price determined to be the fair market value by a gun appraiser that is approved by the Chief of Police.

Upon payment of the fair market value, the Chief of Police, or his designee, shall complete any documentation or paperwork that may be required to complete the transfer of ownership of the firearm to the retiring police officer."

SECTION 2. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION 3. If any portion of this Ordinance is declared to be invalid or unconstitutional in any manner, the invalidity shall be limited to that particular section or provision, and

shall not affect the remaining portions of the ordinance, which shall remain valid and enforceable, it being the intention of the City Council that each separate provision shall be deemed independent of all other provisions herein.

SECTION 4. This Ordinance shall go into effect upon publication and in accordance with law.

Said Ordinance having been introduced on the _____ day of _____, 2014, notice of public hearing having been held, the title having been read and the Ordinance considered, on motion by _____, and seconded by _____, to adopt the ordinance, a record vote was taken and the following result was had:

Ms. Morrow stated this is a very critical ordinance and would like to hear from the Chief of Police and City Attorney on an analysis of this ordinance. Chief Dove stated this is our way of saying thank you to the officers for their years of service to the City. Ms. Morrow then stated she questions this based on the world we live in now and how gun control is being looked out on a national level. Mr. Corkern then stated from a legal standpoint is to allow the City to sell this to them because otherwise the City could not give public property to the officers. To the officers this is a sentimental thing that has been part of their life for many years and would like to have it. As far as buying a gun they can go out and purchase one, but not the same gun they have carried for sometimes 25 or 30 years.

CITY OF NATCHITOCHES, STATE OF LOUISIANA
January 12, 2015

The following resolution was offered by Mr. Mims and seconded by Mr. Payne as follows, to-wit:

RESOLUTION NO. 003 OF 2015

A resolution finding and determining that a public hearing has been held and that no petition has been filed objecting to the proposed issuance by the City of Natchitoches, State of Louisiana of its Taxable Utilities Revenue Bonds in an amount not to exceed Two Million Dollars (\$2,000,000); authorizing the officials of said City to proceed with the preparation of the documents required for the issuance of such bonds; and providing for other matters in connection therewith.

WHEREAS, on November 24, 2014, the City Council of the City of Natchitoches, State of Louisiana (the "City"), adopted Resolution No. 115 of 2014 declaring the intention of the City to issue utilities revenue bonds, in one or more series, in an amount not to exceed Two Million Dollars (\$2,000,000) for the purpose of paying a portion of the cost of constructing and acquiring additions, extensions and improvements to the City's drinking water system; and providing for other matters in connection therewith, in compliance with the provisions of Part XIII of Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*) (the "Act"), and other constitutional and statutory authority, and authorized the publication of a Notice of Intention in connection therewith; and

WHEREAS, pursuant to the provisions as set out above, said Notice of Intention was published once a week for four consecutive weeks in "The Natchitoches Times," a newspaper of general circulation in the City and being the City's official journal, namely on December 13, December 20 and December 27, 2014, and January 3, 2015; and

WHEREAS, said Notice of Intention, as published, included a general description of the Bonds and the security therefore and set forth a place, date and time when a public hearing would be held by the City in open and public session to hear any objections or receive any petitions to the proposed issuance of the Bonds without the holding of an election thereon; and

WHEREAS, at said place and on said date and time a public hearing was duly held and no one presented or had filed any petition or written objections pertaining to the issuance of the proposed Bonds; and

WHEREAS, it is now the desire of the City to authorize such further action as may be required to proceed with the issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Natchitoches, State of Louisiana, acting as the governing authority of the City, that:

SECTION 1. All of the findings of fact made and set forth in the preamble to this resolution are hereby declared to be true and correct, and it is hereby further found and determined that the City, acting through this City Council, is hereby authorized to proceed with the issuance of the Bonds, as described in the preambles hereto, the proceeds of which will be used to pay a portion of the cost of acquiring and constructing additions, extensions and improvements to the drinking water portion of the City's combined waterworks plant and system, electric power and light plant and system and sewer system, a work of public improvement, including equipment and fixtures (the "Project"), said Bonds to mature over a period not

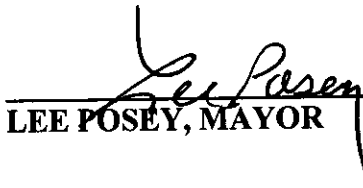
exceeding twenty-two (22) years from their date of issuance, and to bear interest at a rate or rates not exceeding three and forty-five hundredths percent (3.45%) per annum, pursuant to the authority of the Act, and other constitutional and statutory authority, without the necessity of the holding of an election on the question of the issuance of such Bonds.

SECTION 2. The appropriate officers of the City shall proceed with the preparation of the necessary documents and the taking of the necessary steps to issue the Bonds, including obtaining any required approval of the State Bond Commission, all subject to such further approvals of this governing authority as may be appropriate or desirable.

This Resolution was then presented for a vote, and the vote was recorded as follows:

| | |
|-----------------|---|
| AYES: | Payne, Nielsen, Mims, Stamey, Morrow |
| NAYS: | None |
| ABSENT: | None |
| ABSTAIN: | None |

THEREUPON, Mayor Lee Posey declared the Resolution passed by a vote of 5 Ayes to 0 Nays on this 12th day of January, 2015.



LEE POSEY, MAYOR

The following Resolution was introduced by Mr. Nielsen and Seconded by Mr. Payne as follows, to -wit:

RESOLUTION NO. 004 OF 2015

RESOLUTION APPROVING AN EASEMENT AND SERVITUDE FOR PLACEMENT OF ROADWAY AND PLACEMENT OF UTILITIES ALONG WESTERN SIDE OF PROPERTY OWNED BY THE RIVERS RHODES FAMILY PARTNERSHIP, LLP, ET AL, LOCATED ON THE NORTHERN RIGHT OF WAY OF LOUISIANA HIGHWAY 478, ALSO KNOWN AS WATERWELL ROAD, AND AUTHORIZING THE MAYOR TO EXECUTE THE EASEMENT AND SERVITUDE FOR PLACEMENT OF ROADWAY AND PLACEMENT OF UTILITIES ON BEHALF OF THE CITY OF NATCHITOCHES, LOUISIANA

WHEREAS, G. MILES BIGGS, JR., MRS. GAY B. GRAVES, JOSEPH E. RHODES, III, HEATHER ELIZABETH FOSHEE MEADOWS, CATHERINE CELESTE FOSHEE CROMUS, JUSTIN RHODES FOSHEE, AND THE RIVERS RHODES FAMILY PARTNERSHIP, LLP, (hereinafter sometimes referred to collectively as "the Rhodes") are the owners of certain property situated and located in Natchitoches Parish, said tract more fully described as follows:

THAT CERTAIN PIECE, PARCEL OR TRACT OF LAND, situated and located in Section 57, Township 8 North, Range 7 West, being more fully shown and depicted as Tract A on a survey prepared by Glen L. Cannon, dated October 25, and recorded at Map Slide 569-B of the Records of Natchitoches, Louisiana, said tract being 100 acres, more or less. Sometimes hereinafter referred to as ("The Rhodes Property"); and

WHEREAS FURTHER, the Rhodes did previously convey property to the City of Natchitoches, a tract located to the North of The Rhodes Property by deed recorded at Conveyance Book 597, page 41 of the Records of Natchitoches Parish, Louisiana; and

WHEREAS FURTHER, included in that deed recorded at Conveyance Book 597, page 41, was a grant of a right of passage and right of way for a road, together with a utility easement, being 100 feet in width, which said easement was described as running from the South line of Tract B as shown on the above reference survey by Cannon, being a portion of the property acquired by the City and running to the South to Louisiana Highway 478, also known as Waterwell Road; and

WHEREAS FURTHER, the Rhodes and the City of Natchitoches now wish to delineate the exact location of the above referenced right of way, and to that end, an Easement and Servitude for Placement of Roadway and Placement of Utilities has been drafted locating the easement and servitude along the westernmost 100 feet of the Rhodes Property, all as more fully shown on a plat by Robert Lynn Davis; and

WHEREAS FURTHER, the City Council of the City of Natchitoches is of the opinion that it is in the best interest of the City of Natchitoches to enter into the Easement and Servitude for Placement of Roadway and Placement of Utilities, and the Council desires to have the Easement and Servitude for Placement of Roadway and Placement of Utilities executed on behalf of the City; and

NOW, THEREFORE, BE IT RESOLVED, that the Natchitoches City Council, in legal session convened, does hereby approve of the attached Easement and Servitude for Placement of Roadway and Placement of Utilities, and does further hereby authorize the Mayor to execute the Easement and Servitude for Placement of Roadway and Placement of Utilities, on behalf of the City of Natchitoches.

This Resolution was then presented for a vote, and the vote was recorded as follows:

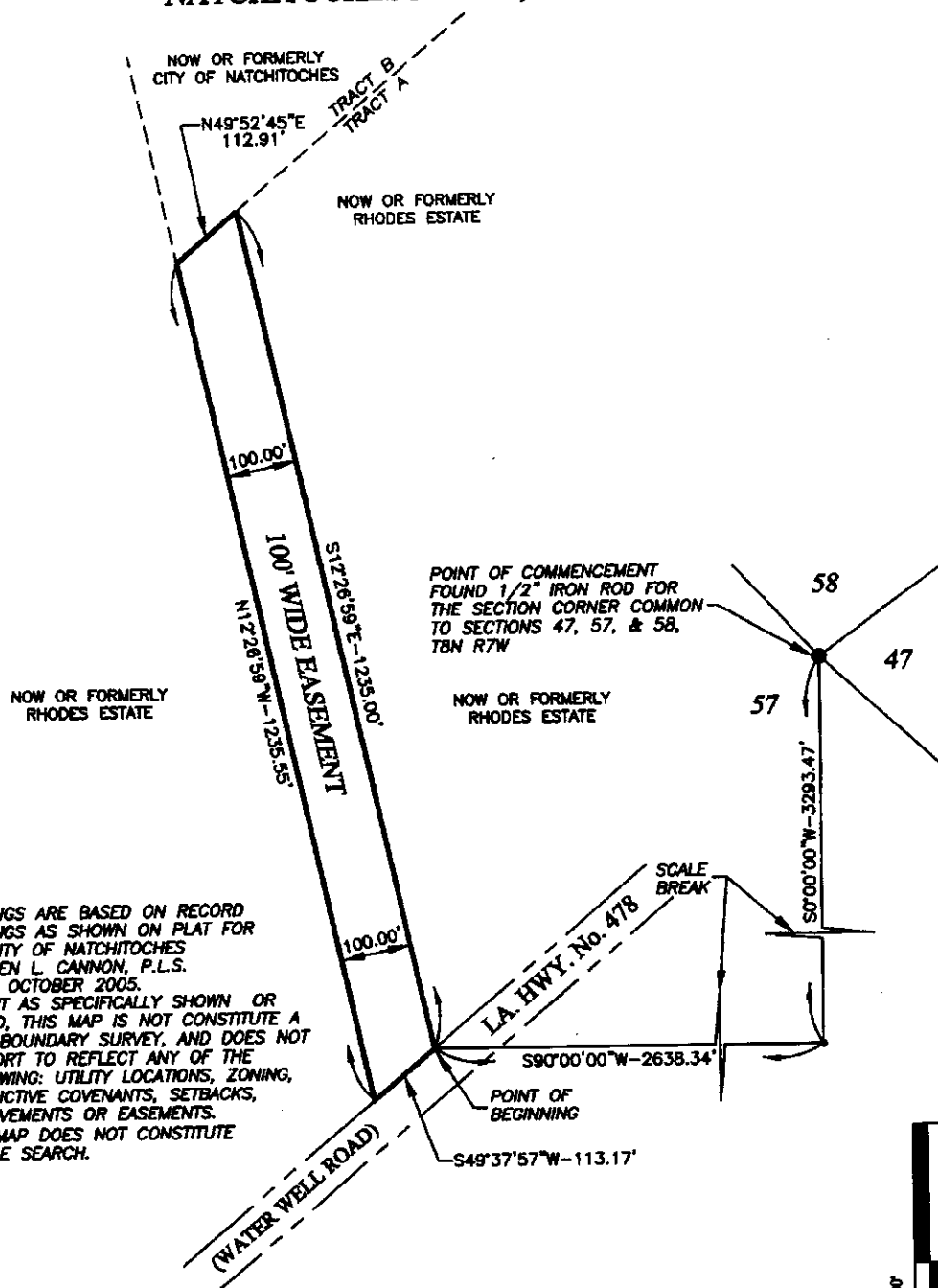
| | |
|-----------------|---|
| AYES: | Payne, Nielsen, Mims, Stamey, Morrow |
| NAYS: | None |
| ABSENT: | None |
| ABSTAIN: | None |

THEREUPON, Mayor Lee Posey declared the Resolution passed by a vote of 5 Ayes to 0

Nays on this 12th day of January, 2015.



LEE POSEY, MAYOR



1. BEARINGS ARE BASED ON RECORD BEARINGS AS SHOWN ON PLAT FOR THE CITY OF HATCHITOCHES BY GLEN L. CANNON, P.L.S. DATED OCTOBER 2005.
2. EXCEPT AS SPECIFICALLY SHOWN OR STATED, THIS MAP IS NOT CONSTITUTE A LAND BOUNDARY SURVEY, AND DOES NOT PURPORT TO REFLECT ANY OF THE FOLLOWING: UTILITY LOCATIONS, ZONING, RESTRICTIVE COVENANTS, SETBACKS, IMPROVEMENTS OR EASEMENTS.
3. THIS MAP DOES NOT CONSTITUTE A TITLE SEARCH.

DESCRIPTION:
A CERTAIN TRACT OR PARCEL OF LAND BEING LOCATED AND SITUATED IN IRREGULAR SECTION 57, TOWNSHIP 8 NORTH, RANGE 7 WEST, LOUISIANA MERIDIAN, NATCHITOCHES PARISH, LOUISIANA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT A 1/2" IRON ROD FOUND FOR THE SECTION CORNER COMMON TO SECTIONS 47, 57, & 58, TOWNSHIP 8 NORTH, RANGE 7 WEST, NATCHITOCHES PARISH, LOUISIANA, RUN S0°00'00"W-3283.47'; THENCE RUN S90°00'00"W-2638.34' TO A POINT ON THE NORTHERNMOST RIGHT OF WAY OF LOUISIANA HIGHWAY No. 478, FOR THE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT; THENCE RUN S49°37'57"W 113.17'; THENCE RUN N12°26'59"W-1235.55'; THENCE RUN N49°52'45"E-112.91'; THENCE RUN S12°26'59"E-1235.00' BACK TO THE POINT OF BEGINNING, CONTAINING 2.836 ACRES MORE OR LESS.

SCALE: 1"=200'

| | | | | |
|----------|---------------------------------|------------------|-----------------|--|
| FOR: | THE CITY OF NATCHITOCHES | PROJECT No. 1315 | | DAVIS SURVEYING & MAPPING, L.L.C. 926 THIRD STREET NATCHITOCHES, LA 71457 PH. (318) 336-9050 |
| | | DRAWN BY JRD | | |
| | | CHECKED BY RLD | | |
| | | DATE | JANUARY 7, 2015 | |
| REQ. BY: | RANDY LACAZE | | | |

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

**EASEMENT AND SERVITUDE FOR PLACEMENT OF ROADWAY
AND PLACEMENT OF UTILITIES**

KNOW ALL MEN BY THESE PRESENTS that before the undersigned Notaries Public and competent subscribing witnesses, at the places and on the dates hereinafter indicated personally came and appeared:

G. MILES BIGGS, JR., married to Jan D. Biggs, with mailing address of 74360 River Road, Covington, Louisiana 70435

MRS. GAY B. GRAVES, married to Boyd Letcher, with mailing address of 16 Bayou View Drive, Gulfport, Mississippi 39501

JOSEPH E. RHODES, III, married to Peggy Ann Rhodes, with mailing address of 1940 Williams Avenue, Natchitoches, Louisiana 71457

HEATHER ELIZABETH FOSHEE MEADOWS, c/o Joseph E. Rhodes, married to _____, with mailing address of 359 South Drive, Natchitoches, Louisiana 71457

CATHERINE CELESTE FOSHEE CROMUS, c/o Joseph E. Rhodes, married to _____, with mailing address of 359 South Drive, Natchitoches, Louisiana 71457

JUSTIN RHODES FOSHEE, c/o Joseph E. Rhodes, married to _____, with mailing address of 359 South Drive, Natchitoches, Louisiana 71457

THE RIVERS RHODES FAMILY PARTNERSHIP, LLP, a Louisiana partnership represented herein by its managing partner, Amy Rivers Rhodes Wallace, with mailing address of 6042 Gaylyn Drive, Shreveport, Louisiana 71105

(hereinafter referred to collectively as "the Rhodes")

who declared that the Rhodes are the owners of certain property situated and located in Natchitoches Parish, said tract more fully described as follows:

THAT CERTAIN PIECE, PARCEL OR TRACT OF LAND, situated and located in Section 57, Township 8 North, Range 7 West, being more fully shown and depicted as Tract A on a survey prepared by Glen L. Cannon, dated October 25, and recorded at Map Slide 569-B of the Records of Natchitoches, Louisiana, said tract being 100 acres, more or less.

Sometimes hereinafter referred to as ("The Rhodes Property")

The Rhodes declare that they did previously convey to the City of Natchitoches a tract of

land located to the North of The Rhodes Property by deed recorded at Conveyance Book 597, page 41 of the Records of Natchitoches Parish, Louisiana. Included in that deed was a grant of a right of passage and right of way for a road, together with a utility easement, being 100 feet in width. The easement was described as running from the South line of Tract B as shown on the above reference survey by Cannon, being a portion of the property acquired by the City and running to the South to Louisiana Highway 478, also known as Waterwell Road.

The Rhodes and the City of Natchitoches now wish to delineate the exact location of the above referenced right of way, and to that end, the Rhodes do hereby grant, give and convey unto:

CITY OF NATCHITOCHES, LOUISIANA, a municipal corporation, operating under a Home Rule Charter, domiciled in the City and Parish of Natchitoches, Louisiana, represented herein by Lee Posey, Mayor, under the authority of a resolution passed on the 12th day of January, 2015; (hereinafter referred to as "City")

a right of way, servitude and easement over and across property of Rhodes, and more particularly, over and across the following described property, to-wit:

That 100 foot strip of ground being more fully shown and depicted on the attached plat by Robert Lynn Davis, PLS, being the westernmost 100 feet of that certain piece, parcel or tract of land situated and located in Section 57, Township 8 North, Range 7 West, being more fully shown and depicted as Tract A on a survey prepared by Glen L. Cannon, dated October 25, and recorded at Map Slide 569-B of the Records of Natchitoches, Louisiana, said tract being 100 acres, more or less.

It is understood and agreed that the right of way and easement herein granted shall be 100 feet in width and shall run from the North line of Tract A to Louisiana Highway 478.

It is understood and agreed that the right of way, servitude and easement is for the purpose of allowing the City of Natchitoches and its assigns to have access and rights of ingress and egress for the purpose of constructing and maintaining a roadway and the placement of utilities.

The City does also hereby grant to The Rhodes a right to access and use of any roadway constructed within the easement, and shall have the right to tie to any utilities placed in the easement.

STATE OF LOUISIANA

PARISH OF _____

DONE AND PASSED at my office in said Parish of _____, State of
Louisiana, in the presence of _____ and
, competent witnesses, and me, Notary Public, on this the _____ day of
_____, 2015.

WITNESSES:

Witness Signature

G. MILES BIGGS, JR.

Printed Witness Name

Witness Signature

Printed Witness Name

Notary Name: _____

Notary No.: _____

STATE OF NORTH CAROLINA

COUNTY OF _____

DONE AND PASSED at my office in said County of _____, State of North
Carolina, in the presence of _____ and
, competent witnesses, and me, Notary Public, on this the _____ day of
_____, 2015.

WITNESSES:

Witness Signature

MRS. GAY B. GRAVES

Printed Witness Name

Witness Signature

Printed Witness Name

Notary Name: _____

Notary No: _____

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

DONE AND PASSED at my office in said Parish of Natchitoches, State of Louisiana,
in the presence of _____ and
, competent witnesses, and me, Notary Public, on this the _____ day of
_____, 2015.

WITNESSES:

Witness Signature

JOSEPH E. RHODES, III

Printed Witness Name

Witness Signature

Printed Witness Name

Notary Name: _____
Notary No.: _____

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

DONE AND PASSED at my office in said Parish of Natchitoches, State of Louisiana,
in the presence of _____ and
, competent witnesses, and me, Notary Public, on this the _____ day of
_____, 2015.

WITNESSES:

**RIVERS RHODES THE
PARTNERSHIP, LLP FAMILY**

Witness Signature

By: AMY RIVERS RHODES WALLACE

Printed Witness Name

Witness Signature

Printed Witness Name

Notary Name: _____
Notary No.: _____

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

DONE AND PASSED at my office in said Parish of Natchitoches, State of Louisiana, in the presence of _____ and _____, competent witnesses, and me, Notary Public, on this the _____ day of _____, 2015.

WITNESSES:

Witness Signature

Heather Elizabeth Foshee Meadows

Printed Witness Name

Witness Signature

Printed Witness Name

Notary Name: _____
Notary No.: _____

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

DONE AND PASSED at my office in said Parish of Natchitoches, State of Louisiana,
in the presence of _____ and
, competent witnesses, and me, Notary Public, on this the _____ day of
_____, 2015.

WITNESSES:

Witness Signature

Catherine Celeste Foshee Cromus

Printed Witness Name

Witness Signature

Printed Witness Name

Notary Name: _____
Notary No.: _____

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

DONE AND PASSED at my office in said Parish of Natchitoches, State of Louisiana,
in the presence of _____ and
, competent witnesses, and me, Notary Public, on this the _____ day of
_____, 2015.

WITNESSES:

Witness Signature

Justin Rhodes Foshee

Printed Witness Name

Witness Signature

Printed Witness Name

Notary Name: _____

Notary No.: _____

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

DONE AND PASSED at my office in said Parish of Natchitoches, State of Louisiana, in the presence of _____ and _____, competent witnesses, and me, Notary Public, on this the _____ day of _____, 2015.

ATTEST:

Stacy McHenry

Hannah Wynn

CITY OF NATCHITOCHES, LOUISIANA

Lee Posey
by: Mayor Lee Posey

DANIEL T. MURCHISON, JR.
Bar Roll No. 20307

Mr. Philip Wilkerson asked for clarification of Resolution 004 of 2015. Mr. Bryan Wimberly, Utilities Director, stated the City is extending the electrical utilities to 478 that will occur in three phases. The lines will extend from 478 to eventually Interstate 49. These services will be available should anything be annexed into the City. If you currently have services through SWEPCO you will continue to as our electrical lines will run above the current lines.

The following Resolution was introduced by Ms. Morrow and Seconded by Mr. Stamey as follows, to -wit:

RESOLUTION NO. 005 OF 2015

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE
CHANGE ORDER NO. 1 TO THE AGREEMENT BETWEEN
THE CITY OF NATCHITOCHES AND REGIONAL CONSTRUCTION, LLC.,
FOR THE AIRPORT APRON PROJECT – ALTERNATE III (ASPHALT &
CONCRETE OVERLAY), AT THE NATCHITOCHES REGIONAL AIRPORT
LA DOTD PROJECT NO. H.010807
(BID NO. 0536)**

WHEREAS, the City of Natchitoches (CITY) awarded the bid to **Natchitoches Regional Construction, LLC.**, (CONTRACTOR) by Ordinance No. 037 of 2013 in the amount of \$1,117,087.00 for the rehabilitation of the terminal apron at the Natchitoches Regional Airport; and

WHEREAS, on January 7, 2015, CONTRACTOR issued Change Order No. 1, fully described in attached Exhibit C.O.-1; and

WHEREAS, the contract sum will be increased by this Change Order No. 1 in the amount of \$135,135.10 and the revised contract total will be \$1,252,222.10; and

WHEREAS, the contract time will be increased by this Change Order No. 1 in the amount of 10 working days and the revised contract time will be 85 working days; and

WHEREAS, the project engineer, Mike Corkern of Airport Development Group Inc. has recommended this change order; and

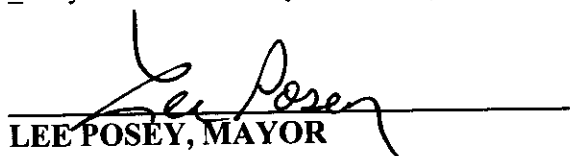
WHEREAS, the CITY is of the opinion that Change Order No. 1 is in the best interest of the CITY.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Natchitoches, in legal session convened, that the Honorable Lee Posey, Mayor, be and is hereby authorized, empowered and directed to execute the referenced Change Order No. 1 to the agreement between the City of Natchitoches and the Contractor.

This Resolution was then presented for a vote, and the vote was recorded as follows:

| | |
|-----------------|---|
| AYES: | Payne, Nielsen, Mims, Stamey, Morrow |
| NAYS: | None |
| ABSENT: | None |
| ABSTAIN: | None |

THEREUPON, Mayor Lee Posey declared the Resolution passed by a vote of 5 Ayes to 0 Nays on this 12th day of January, 2015.


LEE POSEY, MAYOR

CHANGE ORDER NO. ONE -FINAL

State of Louisiana

AIP Project No. 3-22-0034-018-2013

Airport Name: Natchitoches Regional Airport

Contractor: Regional Construction, LLC

City: Natchitoches

Schedule No. I – Alternate III

To Regional Construction, LLC contractor.


You are hereby ordered to make the following change in the plans and/or specifications for the above designated Project:

1. Description of change to be made:
 - A. Adjust estimated quantities to match quantities as constructed. During construction the FAA wanted to keep the concrete fuel farm apron in its current configuration. This required a redesign of the area and increased quantities of several items and added several new items.
2. Reason for ordering change:
 - A. Account for actual construction.
3. Settlement for the cost of the above change is to be made as follows:
 - A. Schedule I - Alternate III
See Exhibit CO No. 1(Final), attached.
4. Contract Time:

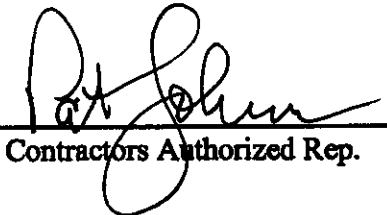
| | |
|----------------------------------|-----------------|
| - Original Contract Time | 75 working days |
| - Current Contract Time | 75 working days |
| - Net increase this Change Order | 10 working days |
| - New Contract Time | 85 working days |
5. Summary of Costs:

| | |
|---|----------------|
| - Original Contract Amount: | |
| Schedule I – Alternate III (Asphalt & Concrete Overlay) | \$1,117,087.00 |
| Total: | \$1,117,087.00 |
| - Net increase of this Change Order: | \$135,135.10 |
| - Total increase of all previous Change Orders: | \$0.00 |
| - Total increase of all change orders to this date: | \$135,135.10 |
| - Total Estimated Contract Costs: | |
| Schedule I – Alternate III (Asphalt & Concrete Overlay) | \$1,252,222.10 |
| Total: | \$1,252,222.10 |

NOTE: This Order is not effective until approved by a representative of the Airports Division, FAA.

Prepared by:  Associate Principal 1/7/15
ADG Representative Title Date

Agreed to by:  Mayor 1/13/15
Sponsor's Authorized Rep. Title Date

Agreed to by:  Owner 1/8/15
Contractors Authorized Rep. Title Date

Natchitoches Regional Airport
Natchitoches, Louisiana
AIP Project No. 3-28-0034-018-2013
LA DOTD Project No. H.010807
City of Natchitoches Bld No. 0536
Exhibit C.O. No. 1 (Final)

Schedule I - Alternate II
Asphalt and Concrete Overlay

| Change Order No. 1 | | | | | | |
|-----------------------------------|--|--------------------|------|--------------|--------------|--------------------|
| Item No. | Description | Estimated Quantity | Unit | Unit Price | Total Cost | Change in Quantity |
| P-100 | Mobilization | 1 | L.S. | \$ 15,000.00 | 15,000.00 | |
| P-101a | Saw Cutting | 425 | L.F. | \$ 5.00 | 2,125.00 | 765.00 |
| P-101b | Asphalt Pavement Removal | 2,800 | S.Y. | 4.00 | 11,200.00 | 783.00 |
| P-101c | Concrete Removal | 280 | S.Y. | 10.00 | 2,800.00 | (30.00) |
| P-101d | Haul Road | 1 | L.S. | 18,000.00 | 18,000.00 | |
| P-102a | Embankment | 300 | C.Y. | 20.00 | 6,000.00 | 274.00 |
| P-102b | Paving Fabric | 19,250 | S.Y. | 1.00 | 19,250.00 | (7,107.00) |
| P-155 | 12" Lime Treated Subgrade @ 6% | 3,600 | S.Y. | 12.00 | 43,200.00 | 540.40 |
| P-156a | Silt Fence | 1,000 | L.F. | 4.00 | 4,000.00 | (1,000.00) |
| P-156b | Hay Bales | 12 | EA | 50.00 | 600.00 | 8.00 |
| P-200a | Base Course (6") | 2,300 | S.Y. | 19.00 | 43,700.00 | 2,795.40 |
| P-200b | Base Course (12") | 1,300 | S.Y. | 38.00 | 49,400.00 | (706.70) |
| P-401a | Bituminous Surface Course Overlay (4") | 2,410 | Ton | 130.00 | 313,300.00 | 191.11 |
| P-501a | 7.5" FCC (Non-Reinforced) | 7,770 | S.Y. | 55.60 | 432,012.00 | (1,000.00) |
| P-601b | 7.5" FCC (Reinforced) | 600 | S.Y. | 68.20 | 40,920.00 | (300.00) |
| P-602 | Bituminous Prime Coat | 3,250 | Gal | 4.00 | 13,000.00 | (380.00) |
| P-610 | 10' Sidewalk | 75 | S.Y. | 50.00 | 3,750.00 | |
| P-620a | Apron Marking - ReflectORIZED (Yellow) | 1,315 | S.F. | 6.00 | 7,890.00 | 602.50 |
| P-620b | Apron Marking - Non-ReflectORIZED (Black) | 805 | S.F. | 6.00 | 3,630.00 | 679.00 |
| P-627 | Coal Tar Regulator | 10,750 | S.Y. | 3.00 | 32,250.00 | 6,018.00 |
| P-635 | Aircraft Tie-downs | 68 | EA | 250.00 | 16,500.00 | 14.00 |
| D-701a | 11" x 18" RCP Arch Pipe | 38 | L.F. | 60.00 | 2,160.00 | 276.00 |
| D-701b | Trench Drain | 75 | L.F. | 250.00 | 18,750.00 | 192.00 |
| D-702 | Flared End Section | 1 | EA | 1,800.00 | 1,800.00 | (1.00) |
| T-801 | Seeding | 0.5 | Acre | 1,000.00 | 500.00 | |
| T-804 | Sodding | 15,650 | S.F. | 1.00 | 15,650.00 | |
| Items Added by Change Order No. 1 | | | | | | |
| P-101e | Saw Cutting (Concrete) | | L.F. | | | 325.00 |
| P-102c | Excavation | | C.Y. | | | 149.00 |
| P-601c | Add'l Concrete for Leveling Existing Asphalt | | C.Y. | | | 210.00 |
| D-701b | 18" x 58" RCP Arch Pipe | | L.F. | | | 56.00 |
| D-701c | Concrete Collar | | L.S. | | | 1.00 |
| D-702b | Catch Basins | | EA | | | 2.00 |
| D-702c | Drainage/Catch Basin T/W - Apron | | L.S. | | | 1.00 |
| D-702d | Drainage at FBO Office | | L.S. | | | 1.00 |
| Total \$ | | | | | 1,117,087.00 | \$ |
| New Total: | | | | | \$ | 1,252,222.10 |

The following Resolution was introduced by Mr. Stamey and Seconded by Mr. Nielsen as follows, to -wit:

RESOLUTION NO. 006 OF 2015

A RESOLUTION APPROVING WORK ORDER ADDENDUM NO. TWO (Amendment One 1/15) TO OPEN GENERAL SERVICES AGREEMENT NO. TWO, BETWEEN AIRPORT DEVELOPMENT GROUP, INC. AND THE CITY OF NATCHITOCHES FOR CONSTRUCTION ENGINEERING SERVICES FOR REHABILITATION OF THE TERMINAL APRON AT THE NATCHITOCHES REGIONAL AIRPORT AND AUTHORIZING THE MAYOR OF THE CITY OF NATCHITOCHES, LEE POSEY, TO EXECUTE SAID WORK ORDER ADDENDUM NO. TWO.

**(STATE PROJECT H.010807)
(FAA/A.I.P. 3-22-0034-18-2013)**

WHEREAS, the City Council of the City of Natchitoches, Louisiana, (sometimes hereinafter "City"), authorized the Mayor of the City of Natchitoches, Louisiana to execute a General Services Agreement with Airport Development Group, Inc. (Sometimes hereinafter referred to as "ADG"), for professional services associated with the Natchitoches Regional Airport by Resolution Number 12 of 2010; and

WHEREAS FURTHER, the City Council of the City of Natchitoches, Louisiana, authorized the Mayor of the City of Natchitoches, Louisiana to execute a Work Order Addendum No. Two (Amendment One 1/15) to the Open General Services Agreement with Airport Development Group, Inc., for Construction Engineering Services for Rehabilitation of the Terminal Apron at the Natchitoches Regional Airport; and

WHEREAS FURTHER, the work described in the Work Order Addendum No. Two (Amendment One 1/15) to the Open General Service Agreement will enhance the Natchitoches Regional Airport; and

WHEREAS FURTHER, the City Council of the City of Natchitoches has reviewed Work Order Addendum No. Two (Amendment One 1/15), which is attached hereto, and has approved its form and does desire to enter into the Work Order Addendum No. Two (Amendment One 1/15) with ADG; and

WHEREAS FURTHER, the City Council of the City of Natchitoches is of the opinion that it is in the interest of the City to enter into the Work Order Addendum No. Two (Amendment One 1/15); and

WHEREAS FURTHER, the City Council of the City of Natchitoches, authorizes the Mayor of the City of Natchitoches, Lee Posey, to execute the attached Work Order Addendum No. Two (Amendment One 1/15); and

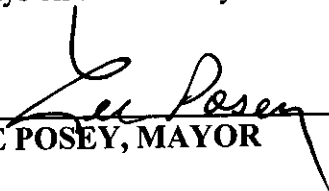
NOW THEREFORE BE IT RESOLVED by the City Council of the City of Natchitoches, in legal session convened, that Mayor Lee Posey, be and is hereby authorized, directed and empowered to enter into and execute the attached Work Order Addendum No. Two (Amendment One 1/15) with ADG, as more fully described on the attached Work Order Addendum No. Two (Amendment One 1/15).

BE IT FURTHER RESOLVED that the Mayor, or his assignee, be and he is hereby authorized to do all things necessary and proper in connection herewith.

This Resolution was then presented for a vote, and the vote was recorded as follows:

| | |
|-----------------|---|
| AYES: | Payne, Nielsen, Mims, Stamey, Morrow |
| NAYS: | None |
| ABSENT: | None |
| ABSTAIN: | None |

THEREUPON, Mayor Lee Posey declared the Resolution passed by a vote of 5 Ayes to 0 Nays on this 12th day of January, 2015.



LEE POSEY, MAYOR

WORK ORDER ADDENDUM NO. TWO (Amendment One 1/15)
TO
OPEN GENERAL SERVICES AGREEMENT NO. TWO
BETWEEN SPONSOR AND ENGINEER FOR PROFESSIONAL SERVICES

THIS IS A WORK ORDER ADDENDUM made by and between the **CITY OF NATCHITOCHES (SPONSOR)**, P.O. Box 37, Natchitoches, Louisiana, 71458-0037, and **AIRPORT DEVELOPMENT GROUP, INC. (CONSULTANT or ENGINEER)**, 3900 Lakeland Drive, Suite 501 C, Jackson, MS 39232 and 1776 S. Jackson Street, Suite 950, Denver, CO 80210.

For this **WORK ORDER ADDENDUM**, **AIRPORT DEVELOPMENT GROUP, INC.**, will be using the services of **NOWLIN & ASSOCIATES, INC.**, 740 Front Street, Natchitoches, Louisiana 71457 for land surveying, resident inspection and other construction administration services.

WITNESSETH:

WHEREAS, **SPONSOR** and **ENGINEER** have heretofore entered into an open general services agreement between themselves for professional services, and

WHEREAS, parties hereto do now desire to add work by amending certain provisions of said agreement dated the 28th day of May, 2013, between themselves, and to reduce said amendment to writing;

NOW, THEREFORE, in consideration of the original agreement between the parties, the premises hereto, the mutual covenants, promises, doings and things hereinafter set forth, the parties hereto do now agree as follows:

This work order addendum also establishes the scope and payment for the following Special Services for the:

1. Construction Management, Inspection, Testing and Survey for construction project of approximately \$1,117K of airport improvements:

1. Construction Engineering Services for Rehabilitation of the Terminal Apron

Add the following to Section 2 of the Open General Services Agreement No. One solely for Special Services for this work item:

SECTION 2 - SPECIAL SERVICES OF ENGINEER

2.1 Construction Phase

During the construction phase **ENGINEER** shall:

2.1.1. Provide part-time resident engineering supervision of the construction work with sufficient qualified inspectors who shall be present periodically during construction operations to assure that construction is accomplished in accordance with the drawings and specifications. **ENGINEER** shall issue such instructions to the

contractor's construction superintendent as are necessary to protect the **SPONSOR's** interest to the same extent as would the **SPONSOR** himself if he were present and equipped with the requisite knowledge, skill competence, expertise, and engineering judgment.

2.1.2. **ENGINEER** shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by Contractor(s) or the safety precautions and programs incident to the work of Contractor(s). **ENGINEER's** efforts will be directed toward providing a greater degree of confidence for **SPONSOR** that the completed work of Contractor(s) is in accordance with the contract documents. **ENGINEER** shall keep **SPONSOR** informed of the progress of the work and shall endeavor to guard **SPONSOR** against defects and deficiencies in such work. **ENGINEER** may disapprove or reject work failing to conform to the contract documents.

2.1.3. Review and approve (or take other appropriate action in respect of) shop drawings and samples, the results of tests and inspections and other data which each Contractor is required to submit, but only for conformance with the design concept of the project and compliance with the information given in the contract documents (but such review and approval or other action shall not extend to means, methods, sequences, techniques or procedures of construction or to safety precautions and programs incident thereto); determine the acceptability of substitute materials and equipment proposed by Contractor(s); and receive and review (for general content) maintenance and operating instructions, schedules, guarantees, bonds and certificates of inspection which are to be assembled by Contractor(s) in accordance with the contract documents.

The **ENGINEER** shall review Contractor's weekly payrolls and prepare and maintain necessary records of construction progress.

2.1.4. The **ENGINEER** shall require the Contractor to take acceptance tests as necessary to meet the requirements of the FAA and LA DOTD, in the field and the laboratory, as required, in proper time and in sufficient number to assure construction in accordance with the plans and specifications. Copies of all test reports will be furnished to the **SPONSOR** and the LA DOTD.

2.1.5. Issue all instructions of **SPONSOR** to Contractor(s); issue necessary interpretations and clarifications of the contract documents and in connection therewith prepare change orders or supplemental agreements as required. After acceptance of any modifications, copies of the change order or supplemental agreement will be submitted to the **SPONSOR** and the LA DOTD for approval and signature before proceeding with the work. **ENGINEER** shall have authority, as **SPONSOR's** representative, to require special inspection or testing of the work; act as initial interpreter of the requirements of the contract documents and judge of the acceptability of the work there-under and shall make recommendations on all claims of **SPONSOR** and Contractor(s) relating to the acceptability of the work or the interpretation of the requirements of the contract documents pertaining to the execution and progress of the work; but **ENGINEER** shall not be liable for the results of any such interpretations or recommendations rendered by him in good faith and in conformance with good engineering practices. **SPONSOR** shall make decisions based on information and recommendations of the **ENGINEER**.

2.1.6. The **ENGINEER** will furnish the **SPONSOR** and the LA DOTD a weekly construction progress and inspection report.

2.1.7. Based on **ENGINEER's** on-site observations as an experienced and qualified design professional, the **ENGINEER** shall prepare and review periodic pay estimates for payment and the accompanying data and schedules, determine the amounts owing to Contractor(s) and recommend in writing, payments to Contractor(s) in such amounts: such recommendations of payment will constitute a representation to **SPONSOR**, based on such observation and review, that the work has progressed to the point indicated, that, to the best of **ENGINEER's** knowledge, information and belief; such work is in accordance with the contract documents (subject to an evaluation of such work as a functioning project upon substantial completion, to the results of any subsequent tests called for in the contract documents, and to any qualifications stated in his recommendation), and that payment of the amount recommended is due Contractor(s); but by recommending any payment **ENGINEER** will not thereby be deemed to

have represented that continuous or exhaustive examinations have been made by **ENGINEER** to check the acceptability or quantity of the work or to review the means, methods, sequences, techniques or procedures of construction or safety precautions or programs incident thereto or that **ENGINEER** has made an examination to ascertain how or to what purposes any Contractor has used the monies paid on account of the contract price, or that title to any of the work, materials or equipment has passed to **SPONSOR** free and clear of any lien, claims, security interests or encumbrances, or that Contractor(s) have completed their work in accordance with the contract documents. Periodic pay estimates shall be submitted regularly to LA DOTD for their respective participation payments. The **ENGINEER** will assist in preparation of LA DOTD payment requests.

2.1.8. Monitor compliance with the applicable federal regulations governing grant procurement, including those dealing with pollution, fair labor standards, equal employment opportunity and minority business hiring.

2.1.9. When the project has been completed and is ready for final acceptance, the **ENGINEER** shall arrange for a final inspection of the finished work by the LA DOTD, the **SPONSOR**, the Contractor and the **ENGINEER** to determine if the project has been completed in accordance with the contract documents and if each Contractor has fulfilled all of his obligations thereunder so that **ENGINEER** may recommend, in writing, final payment to each Contractor and may give written notice to **SPONSOR** and the Contractor(s) that the work is acceptable (subject to any conditions therein expressed), but any such recommendation and notice shall be subject to the limitations expressed in paragraph 2.1.7.

2.1.10. **ENGINEER** shall not be responsible for the acts or omissions of any Contractor, or subcontractor, or any of the Contractor(s)' or subcontractors' agents or employees and/or any other persons (except **ENGINEER**'s own employees and/or agents) at the site or otherwise performing any of the Contractor(s)' work; however, nothing contained in paragraphs 2.1.1. through 2.1.10, inclusive, shall be construed to release **ENGINEER** from liability for failure to properly perform duties undertaken by him in the contract documents.

2.1.11. Upon acceptance of the project, the **ENGINEER** shall prepare the record drawings including an as-built airport layout plan and final construction report and shall provide the **SPONSOR** with one set of reproducible record drawings together with one copy of the drawings for the FAA.

Special Services are not included in this contract. Special Services will be contracted for prior to construction.

ENGINEER shall perform Basic and Special Services toward the complete design, bidding and construction of item No. One: Properly Grade Runway Safety Area. Payment shall be made per the following paragraphs to be added to Open General Services Agreement No. One solely for this work item:

5.1.1. For Basic Services.

5.1.1.1. Amount of payment for Item 1:

| | |
|----------|-------------------------------|
| DBE Plan | - a lump sum fee of \$ 4,000. |
| Bidding | - a lump sum fee of \$ 6,500. |

5.1.2. For Special Services. **SPONSOR** shall pay **ENGINEER** for basic services rendered under Section 1 as follows:

5.1.2.1. Amount of payment for Item 1:

| | |
|---------------------------|---|
| Construction Management | - a not-to-exceed fee of \$ 23,580. (\$31,080) |
| Sub-Consultant Inspection | - a not-to-exceed fee of \$ 31,500. |
| Testing | - a not-to-exceed fee of \$ 17,500. |
| Survey | - a not-to-exceed fee of \$ 2,000. |
| Fixed Fee | - a lump sum fee of \$ 12,470. |

Fees will be renegotiated if total construction working days awarded are substantially different than 75. This grand total amount of \$87,050.00 (~~\$94,550.00~~) Revised shall not be exceeded without prior approval of the SPONSOR.

5.1.2.2. Times of Payments.

ENGINEER shall submit monthly statements for salaries and other expenses and for reimbursable expenses incurred. SPONSOR shall make prompt monthly payments in response to ENGINEER's monthly statements. The fixed fee shall be due and payable when the final invoice is submitted. The record drawings and final construction report shall be submitted to the SPONSOR and FAA not more than 120 calendar days from the final acceptance of all construction on the project.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures this 13th day of January, 2015.

SPONSOR:

CITY OF NATCHITOCHES

By Lee Posey
Lee Posey, Mayor

Attest: Stacy Mahoney

CONSULTANT:

AIRPORT DEVELOPMENT GROUP, INC.

By Michael B. Corkern, Jr., P.E.
Michael B. Corkern, Jr., P.E.

Attest: Jason Yarbro
Jason Yarbro

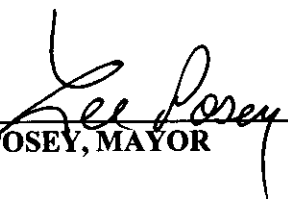
Mr. Payne, on behalf of Pilgrim's Pride, thanked the City for allowing the company to use the transformer. Mayor Posey stated he appreciated the electrical department being on board as it worked out good for everyone.

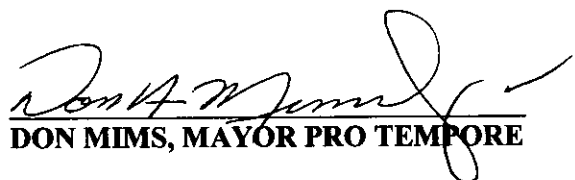
The City of Natchitoches offices will be closed Monday, January 19, 2015 in honor of Martin Luther King, Jr. Day.

The next scheduled City Council meeting will be January 26, 2015.

With no further discussion, the Mayor made a motion for adjournment and all were in favor.

The meeting was adjourned at 6:08 p.m.


LEE POSEY, MAYOR


DON MIMS, MAYOR PRO TEMPORE